

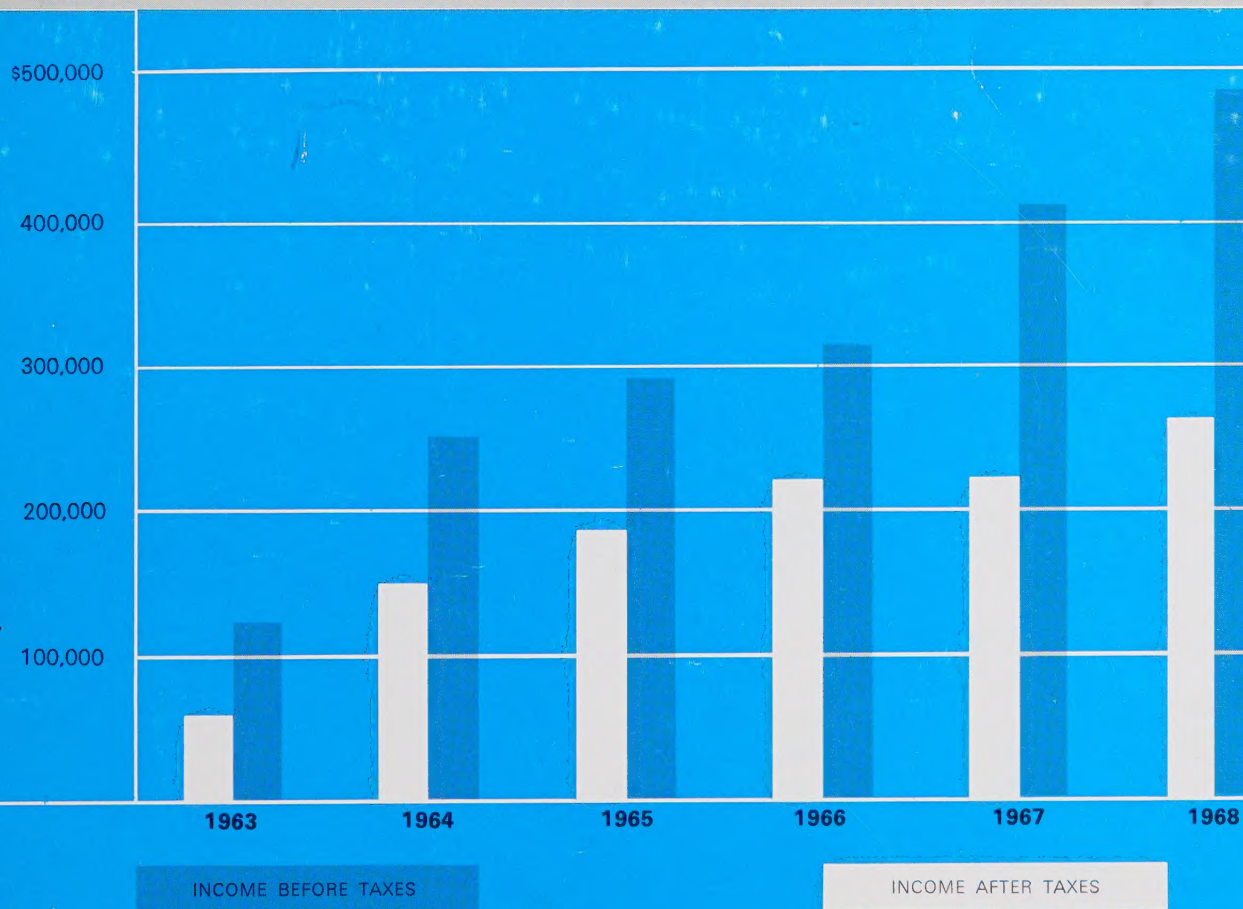
File

Codville Distributors Ltd

and subsidiary companies

ANNUAL REPORT

FOR THE FISCAL YEAR ENDED MARCH 31st, 1968



SUPPLY DEPOT — SERVING CANADA'S MID-WEST

CONTENTS

	Page
Highlights of the Year.....	1
President's Report:	
General, Sales.....	2
Income Before Taxes, Taxes on Income, Net Income.....	3
Dividends, Cash Flow, Working Capital, Financial Position.....	4
Expansion, Future.....	5
Future, Recognition.....	6
Consolidated Statement of Income.....	7
Consolidated Statement of Retained Earnings.....	7
Consolidated Statement of Source and Application of Funds.....	8
Balance Sheet.....	9, 10
Notes to Consolidated Financial Statements.....	11
Auditors' Report.....	12
Six Years in Review.....	12
Directors, Executive Officers, Corporate Management.....	13
Organization Chart.....	14, 15
Salient Data.....	16

HIGHLIGHTS OF THE YEAR

	Year Ended		% Increase
	March 31st 1968	March 31st 1967	
Sales.....	\$31,656,241	\$25,481,236	24
Income—before taxes.....	480,337	412,699	16
Taxes on Income.....	216,534	188,324	15
Net Income.....	263,803	224,375	18
Net Income per Class A Share.....	51¢	44¢	16
Cash Flow.....	370,464	321,279	15
Number of Shareholders.....	862	917	(6)
Number of Employees.....	296	247	20
Number of Stores—I.G.A.....	76	73	4
—Much More.....	234	212	10

PRESIDENT'S REPORT

TO THE SHAREHOLDERS :

1967-68 was a year of significant progress for Codville Distributors Ltd. Gains in sales and profits were realized despite keen competition, inflationary pressures, and extraordinary expenses due to expansion of existing facilities, new store openings, an acquisition and the opening of a new Distribution Centre in Saskatoon. The improvement in operations is more impressive when evaluated in light of these factors.

Strong inflationary pressures that have existed during the past year are serious and must be dealt with by all levels of Government, business and labour, if stable economic growth is to be maintained.

It is somewhat ironic that Government appointed Royal Commissions and Senate Investigating Committees have been formed in an attempt to single out food retailing and distribution as a major cause of inflation; resulting in unfavourable publicity for the industry. An analysis of our financial statements clearly reveals that operating costs tend to increase in three main areas—salaries, municipal taxes and high interest rates on borrowed capital. We contend that Governments—Federal, Provincial and Municipal, are largely responsible for these rising costs.

It's extremely difficult to maintain salary increases at reasonable levels when it's argued that the Federal Government established a rate of increase of 30% or better in settling the dock workers and railway labour disputes. Municipal taxes in many operating areas have increased from 25% - 40% in the past year, a direct result of Government Legislation. High interest rates exist largely because of excessive demand for money to finance large Government deficits, not only in Canada, but in most western industrial nations. Since

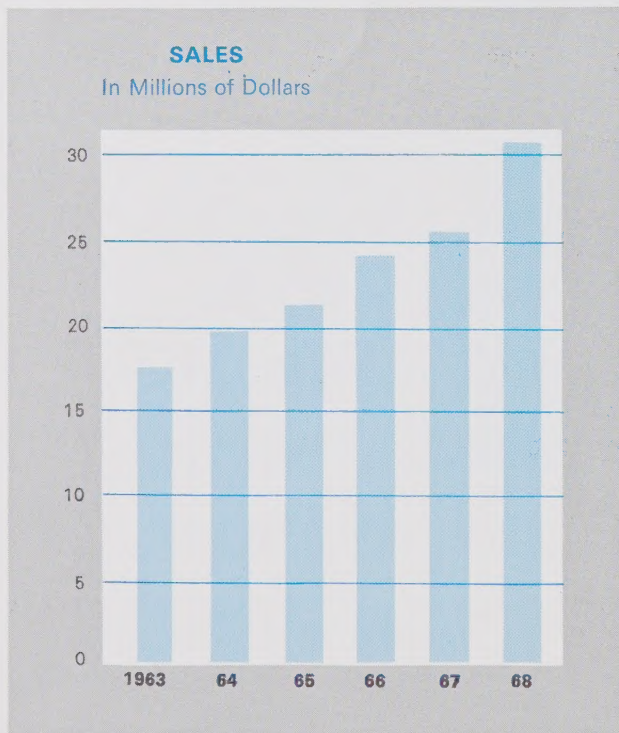
most industry is confronted with similar rising costs, it is easy to understand why inflation exists.

Despite these trends, many of which are beyond our control, Codville Distributors, through increased sales and improved control of other expenses, has been able to reduce costs in its operating divisions by .06% of sales.

SALES—Increase 24%

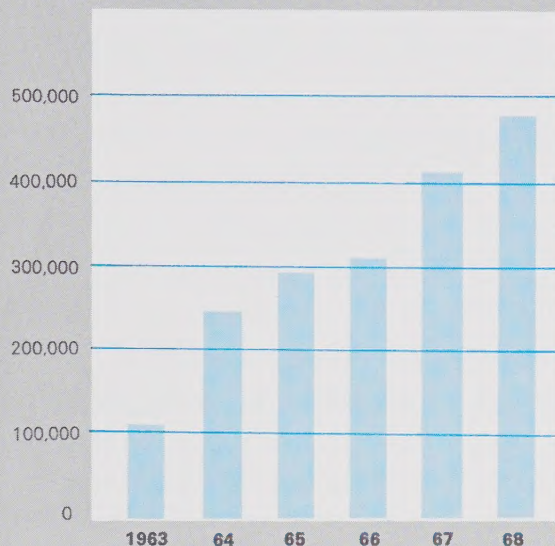
Consolidated sales increased by \$6,175,005 to \$31,656,241, a record in both dollars and percentage gain. Sales in the previous year were \$25,481,236. All three operating divisions; Manitoba, Saskatchewan and Retail, contributed to the increase.

The gain in sales is approximately four times the rate of growth of retail food sales in the Company's marketing area. It can be concluded that I.G.A. and Much More stores are obtaining a larger share of the total market which attests to the soundness of the owner-operated voluntary groups, sponsored by the Company.



INCOME BEFORE TAXES

In Dollars



INCOME BEFORE TAXES—Rises by 16%

Income, prior to taxes, increased to an all-time high of \$480,337 compared with \$412,699 last year, an increase of \$67,638.

Pre-tax income is 1.52% of sales compared with 1.62% the previous year. The decline of .10% is attributed to extraordinary expenses in connection with expansion.

TAXES ON INCOME—Increase 15%

Corporation taxes are \$216,534, up from \$188,324 last year, an increase of \$28,210. Your Company paid tax at the rate of 45.1% of taxable income this year, while in 1967 the tax rate was 45.6%.

NET INCOME—Grows by 18%

Net Income increased by \$39,428, to \$263,803 from \$224,375 the previous year, and amounts to 51¢ per Class A Share, compared with 44¢ in 1967, an increase of 7¢ per share. In 1967, 452,156 Class A Shares and 93,492 Class B Shares were outstanding. This year outstanding shares are 452,593 Class A and 93,055 Class B.

As a percent of sales, net income is .83% compared with .88% the previous year. Return on Shareholders' equity increased slightly to 13.3% from 13% in 1967.

Shareholders' equity increased by \$186,448 to \$2,169,539 from \$1,983,091 and is \$3.97 per share, an increase of 34¢, as last year it was \$3.63 per share.

DIVIDENDS—Increase 20%

On May 9, 1968, your Directors declared a Dividend of 18¢ per Class A Share payable at the rate of 9¢ on May 30, to Shareholders of record on May 15, 1968, and 9¢ on November 30, to Shareholders of record on November 15, 1968. A Dividend of 3¢ per Class B Share was declared to be

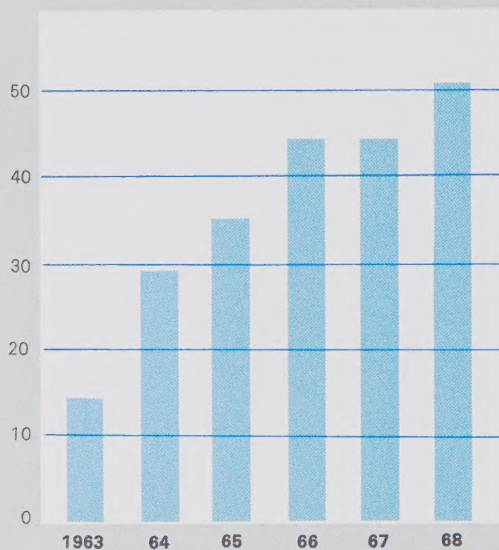
NET INCOME

In Dollars



NET INCOME PER CLASS A SHARE

In Cents



paid on March 15, 1969 to Shareholders of record on March 1, 1969.

In the fiscal year 1968, dividends were paid in the amount of 15¢ per Class A Share, totalling \$67,823 which is 25.5% of this year's net income.

CASH FLOW—Up 15%

Cash flow increased to \$370,464 from \$321,279 the previous year and equals 70¢ per Class A Share compared with 61¢ in 1967.

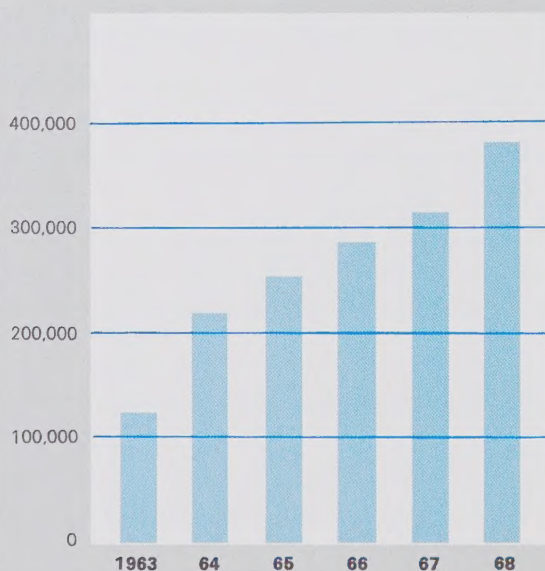
WORKING CAPITAL—Decreased

Working capital is \$540,558 compared with \$632,243 the previous year, a decrease of \$91,685. Changes which took place during the past twelve months are detailed in the Consolidated Statement of Source and Application of Funds.

Subsequent to the year end, the Company sold a Retail store building and its old Saskatoon Warehouse, increasing working capital by \$85,000.00. In addition, the Prince Albert Warehouse has been converted, from a complete Wholesale Branch to a Cash and Carry depot, which will reduce inventory requirements by approximately \$200,000.00.

CASH FLOW

In Dollars



FINANCIAL POSITION

During the year, the cost of fixed assets increased to \$1,567,771 (depreciated value \$958,044) from \$1,461,144 (depreciated value \$932,785), an increase of \$106,627. All of the Company's fixed assets are free of debt.

Shareholders' equity of \$2,169,539 exceeds total current liabilities of \$1,979,219 by \$190,320.

The Company plans to finance its expansion in the fiscal year ending March 31, 1969, by cash flow from operations, the sale of certain fixed assets, liquidation of inventory in the Prince Albert Warehouse, and bank loans.

EXPANSION

During the year, the Company opened nine I.G.A. stores, 22 Much More Stores and remodelled or expanded eight stores, including the Winnipeg Discount Store, which was doubled in size to 22,000 square feet. Six smaller I.G.A. stores were either closed or transferred to the Much More group. As reported earlier, the assets of Hazelwood Davis Co. were purchased and the acquisition has proven to be profitable. Both of the Company's Cash and Carrys were remodelled.

Early in February, Saskatoon operations were moved to the new Distribution Centre, which is designed to facilitate increased variety of product and larger sales, in a more efficient manner.

It's been a year of activity for Codville Distributors.

Expansion plans for the current fiscal year are well underway. Subsequent to the year end, the Company has opened two I.G.A. stores and two are scheduled to open prior to June 30. The Prince Albert Warehouse has been converted to a Cash & Carry Depot to service the smaller stores in Northern Saskatchewan, while the larger customers are being shipped directly from the new Distribution Centre in Saskatoon.

Two large supermarkets, each 18,000 square feet in area, are under construction and are scheduled to open prior to March 31, 1969.

In May of this year the Company signed an agreement to purchase, on June 22, 1968, certain assets of Campbell, Wilson & Millar Ltd., a small Saskatoon based wholesale grocer. It's expected that this acquisition will complement our existing Saskatoon operation.

THE FUTURE

The acquisition of certain assets of Campbell, Wilson & Millar Ltd.; the moving of the Saskatoon warehouse to new quarters; and the conversion of the Prince Albert warehouse to a Cash & Carry Depot, will merge sales of three older type warehouses into one modern Distribution Centre. This should increase sales and profitability of the Saskatchewan Division in the second half of the fiscal year.



New I.G.A. Store located in Winnipeg



Check-out section in 22,000 sq. ft. Discount Store, Winnipeg



Modern material handling methods—new Saskatchewan Distribution Centre



View of offices and front of building—Saskatchewan Distribution Centre



Inside new I.G.A. Store, Saskatoon

Continued growth in sales in most existing stores, and planned expansion through new Retail facilities, in both Manitoba and Saskatchewan, should result in your Company obtaining a larger share of the total market.

Discounting, which has become prevalent in many areas, is expected to continue and to spread, which will put pressure on gross profits. Improvement in efficiency through operating methods will have to be effected if some stores are to maintain profit margins.

It is recognized that competition will be severe and that growth in total food store sales in our marketing area will be moderate.

Despite these trends, we are confident our people, our franchised dealers, in co-operation with suppliers and other associates can successfully rise to the challenge, as they have proven in the past, to improve sales and profits. We look to the future with optimism.

RECOGNITION

We regretfully record the resignation of J. P. Catty from the Board of Directors. Mr. Catty contributed valuably to the Company since its early stages of development and we extend our warmest thanks.

W. D. Crowe was recently appointed to the Board of Directors and we extend a sincere welcome.

We believe that the year 1967-68, though confronted with some adverse conditions, was one of considerable achievement. This progress would not be possible if it were not for the dedicated efforts of our staff, the loyalty and support of our franchised dealers, their customers, and the co-operation of our suppliers and other associates. The value of people, both employees and associates of Codville Distributors is not recorded on its balance sheet, but they are, without qualification, its most valuable asset. We extend our sincere appreciation.

On behalf of the Board of Directors.

B. H. CODVILLE,
President

Winnipeg, May 24, 1968



Order Selectors at work, Saskatoon



Check-out section—15,000 sq. ft. I.G.A. Store



Outside view—shipping and receiving doors, Saskatchewan Distribution Centre



Modern arrangement of merchandise in large I.G.A. Store



15,000 sq. ft. I.G.A. Store, Saskatoon, Sask.

CONSOLIDATED STATEMENT OF INCOME

Year ended March 31, 1968

	1968	1967
SALES.....	\$31,656,241	\$25,481,236
Income, before the undernoted items.....	666,528	569,600
Directors' and officers' remuneration.....	44,769	44,500
Depreciation.....	106,662	96,904
Interest, long-term debt.....	4,229	4,667
Other interest.....	30,531	10,830
	<u>186,191</u>	<u>156,901</u>
Income before taxes.....	480,337	412,699
Taxes on income (note 3).....	216,534	188,324
NET INCOME.....	<u>\$ 263,803</u>	<u>\$ 224,375</u>

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

Year ended March 31, 1968

	1968	1967
RETAINED EARNINGS, BEGINNING OF YEAR.....	\$478,553	\$356,450
Net income.....	263,803	224,375
	<u>742,356</u>	<u>580,825</u>
Deduct:		
Loss on sale of fixed assets.....	—	9,405
Dividends paid on Class A shares.....	67,823	67,823
Sundry.....	9,532	25,044
	<u>77,355</u>	<u>102,272</u>
RETAINED EARNINGS, END OF YEAR.....	<u>\$665,001</u>	<u>\$478,553</u>

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Year ended March 31, 1968

	1968	1967
SOURCE OF FUNDS:		
Operations:		
Net income.....	\$263,803	\$224,375
Add depreciation, not involving a current outlay of funds....	106,662	96,904
	<u>370,465</u>	<u>321,279</u>
Sale of fixed assets.....	201,371	232,166
Reduction of mortgage receivable.....	4,447	3,807
Redemption of shares of Marchan Co. Ltd. (I.G.A. Canada).....	13,350	—
	<u>589,633</u>	<u>557,252</u>
APPLICATION OF FUNDS:		
Additions to fixed assets.....	331,706	227,410
Increase in loans to dealers.....	167,544	176,068
Increase in notes receivable.....	84,236	—
Reduction of long-term debt.....	17,061	8,373
Dividends paid on Class A shares.....	67,823	67,823
Sundry.....	12,948	26,619
	<u>681,318</u>	<u>506,293</u>
INCREASE (DECREASE) IN WORKING CAPITAL.....	(91,685)	50,959
WORKING CAPITAL AT BEGINNING OF YEAR.....	<u>632,243</u>	<u>581,284</u>
WORKING CAPITAL AT END OF YEAR.....	<u>\$540,558</u>	<u>\$632,243</u>

Codville Distributors Ltd.

and subsidiary companies

(Incorporated under the laws of Canada)

CONSOLIDATED BALANCE SHEET — MARCH 31, 1968

ASSETS

	1968	1967
CURRENT ASSETS:		
Accounts receivable.....	\$ 607,768	\$ 549,139
Inventories, at lower of cost and market.....	1,585,642	1,220,619
Prepaid expenses.....	165,762	89,611
Special refundable tax.....	12,790	12,578
Current instalments on other assets.....	147,815	97,453
	<u>2,519,777</u>	<u>1,969,400</u>
OTHER ASSETS:		
Loans to dealers, secured.....	667,244	478,422
Mortgage receivable.....	35,946	39,993
Notes receivable.....	112,920	—
	<u>816,110</u>	<u>518,415</u>
Less current instalments.....	147,815	97,453
	<u>668,295</u>	<u>420,962</u>
Investment in Marchan Co. Ltd. (I.G.A. Canada), at cost.....	38,320	51,670
Rental deposit.....	40,000	40,000
Life insurance, cash surrender value.....	9,145	7,315
	<u>755,760</u>	<u>519,947</u>
FIXED ASSETS (note 2):		
Land, buildings, equipment and leasehold improvements, at cost.....	1,567,771	1,461,144
Less accumulated depreciation.....	609,727	528,359
	<u>958,044</u>	<u>932,785</u>
TRADE MARK AND GOODWILL, at nominal value.....	<u>2</u>	<u>2</u>
	<u>\$4,233,583</u>	<u>\$3,422,134</u>

LIABILITIES

	1968	1967
CURRENT LIABILITIES:		
Bank advances, secured.....	\$ 784,585	\$ 96,829
Accounts payable and accrued liabilities.....	1,091,140	1,080,517
Corporation income taxes (note 3).....	86,834	151,124
Current instalments on long-term debt.....	16,660	8,687
	<u>1,979,219</u>	<u>1,337,157</u>
LONG-TERM DEBT (note 4).....	<u>84,825</u>	<u>101,886</u>
	<u>2,064,044</u>	<u>1,439,043</u>

SHAREHOLDERS' EQUITY

CAPITAL STOCK (note 5):		
Authorized:		
850,000 Class A shares, no par value		
149,563 Class B shares, no par value		
Issued:		
452,593 Class A shares.....	1,442,467	1,442,175
93,055 Class B shares.....	62,071	62,363
	<u>1,504,538</u>	<u>1,504,538</u>
RETAINED EARNINGS.....	<u>665,001</u>	<u>478,553</u>
	<u>2,169,539</u>	<u>1,983,091</u>
	<u>\$4,233,583</u>	<u>\$3,422,134</u>

APPROVED ON BEHALF OF THE BOARD

B. H. CODVILLE, Director

A. E. MARTIN, Director

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended March 31, 1968

1. BASIS OF CONSOLIDATION:

The consolidated balance sheet has been prepared on the basis of a pooling of interests wherein:

- (a) the value attributed to the issued shares of Codville Distributors Ltd. is equivalent to the paid up value of the shares of The Codville Company, Limited received in exchange therefor and cash received for 150,000 Class A shares sold to the public.
- (b) the retained earnings are equivalent to the total retained earnings of Codville Distributors Ltd. and subsidiary companies.

2. FIXED ASSETS:

	1968		1967
	Cost	Accumulated Depreciation	Net
Land.....	\$ 112,985	—	\$112,985
Buildings.....	147,321	61,356	87,347
Equipment.....	1,216,863	516,163	625,008
Leasehold improvements.....	90,602	32,208	61,862
	<u>\$1,567,771</u>	<u>\$609,727</u>	<u>\$958,044</u>
			<u>\$932,785</u>

3. TAXES ON INCOME:

Taxes for 1968, as shown in the consolidated statement of income, have been reduced by \$17,055 as a result of the intention to claim for tax purposes capital cost allowances of \$33,442 in excess of depreciation recorded for the year in the accounts. The accumulated amount to date by which taxes otherwise payable have been so reduced is \$87,565

4. LONG-TERM DEBT:

Details of long-term debt are:	Interest rate	
Notes payable		
On demand after November 30, 1970.....	4%	\$ 35,000
\$2,000 per annum until 1968 and \$8,500 per annum 1969 to 1973, inclusive.....	3%	44,500
\$1,500 per annum 1973 to 1977, inclusive.....	5%	7,500
		<u>87,000</u>
Mortgage payable		
\$8,160 per annum to February 1, 1970.....	6%	14,485
		<u>101,485</u>
Less current instalments.....		16,660
		<u>\$ 84,825</u>

5. CAPITAL STOCK:

The rights attaching to each class of shares are:

Class A—one vote per share; annual preferential, non-cumulative dividends of 15¢ per share; further dividends payable equally to Class A and Class B shareholders.

Class B—ten votes per share; convertible to an equal number of Class A shares. During the year 437 shares were so converted.

At March 31, 1968, 184,563 Class A shares were reserved for issue as follows:

149,563 for conversion of Class B shares

10,000 for the exercise of share purchase warrants which are outstanding at \$6 per share until May 31, 1970.

25,000 for the executive stock option plan.

Executive stock options, which are contingent on continuous employment to the option date, may be granted to officers and executives for a period of five years. The option price may not be less than 90% of the market price on the date they are granted. At present there are options outstanding with executive employees to purchase 10,000 Class A shares at \$5.45 each prior to May 26, 1970.

6. LEASES:

The minimum annual rentals (exclusive of taxes, insurance and other occupancy charges) under lease obligations for store locations and warehouse facilities amount to \$358,000.

It is expected that annual rental revenue of \$172,000 will be received from stores that have been sublet to dealers.

7. CONTINGENT LIABILITIES:

There are contingent liabilities of \$74,000.

AUDITOR'S REPORT

To the Shareholders of
Codville Distributors Ltd.

We have examined the consolidated balance sheet of Codville Distributors Ltd. and its subsidiary companies as at March 31, 1968 and the consolidated statements of income, retained earnings and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at March 31, 1968 and the results of their operations and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

THORNE, GUNN, HELLIWELL & CHRISTENSON

Winnipeg, Canada, May 6, 1968

Chartered Accountants

Godville Distributors Ltd.

and subsidiary companies

SIX YEARS IN REVIEW

	1968	1967	1966	1965	1964	1963
Sales.....	\$31,656,241	\$25,481,236	\$23,977,288	\$21,520,544	\$18,975,766	\$17,596,366
Depreciation..	106,661	96,904	102,120	86,897	72,804	62,949
Income—before taxes.....	480,337	412,699	312,352	294,844	246,446	118,074
Taxes on Income.....	216,534	188,324	84,300	114,700	99,609	49,995
Net Income....	263,803	224,375	228,052	180,144	146,837	68,079
Net Income as a percentage of Sales.....	.83	.88	.95	.84	.77	.39
Cash Flow....	370,464	321,279	281,988	267,400	219,641	131,028
Working Capital	540,558	619,665	581,284	1,038,462	400,250	558,441
Current Ratio..	1.27:1	1.46:1	1.54:1	1.89:1	1.34:1	1.46:1

DIRECTORS, EXECUTIVE OFFICERS, CORPORATE MANAGEMENT

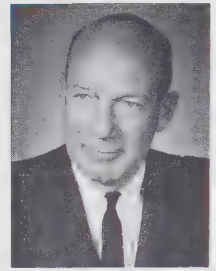
Names and Addresses, Responsibilities and Affiliations



***BRUCE H. CODVILLE**

161 Gillia Drive
Winnipeg 17, Manitoba

President; Director since 1958.
Employed by Company since 1949.
Director, I G A Canada Limited;
Director, The Fidelity Trust Company;
Director; Canadian Grocery Distributors'
Institute.



***THOMAS W. MEREDITH**

Midland-Osler Securities Limited
Portage and Main
Winnipeg, Manitoba

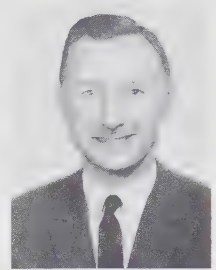
Director; Investment Dealer;
Director, Midland-Osler Securities Ltd.



***ARTHUR E. MARTIN**

93 Peony Avenue
Winnipeg 17, Manitoba

Executive Vice-President; Treasurer; Director.
Employed by the Company since 1958 in
an executive capacity.



***J. F. REEH TAYLOR**

Richardson & Company
274 Garry Street
Winnipeg 1, Manitoba

Secretary and Director; Barrister-at-law;
Partner, Richardson & Company.



W. DOUGLAS CROWE

Midland-Osler Securities Ltd.
211 - 717 West Pender
Vancouver, B.C.

Director; Regional Manager, Manitoba and
Saskatchewan, Midland-Osler Securities Ltd.



MAXWELL J. HATCH

191 Larchdale Crescent
Winnipeg 15, Manitoba

Vice-President, Wholesale Operations;
Employed by the Company for 18 years.



DONALD H. KOYL

Koyl Agencies Limited
123 Third Avenue North
Saskatoon, Saskatchewan

Director; President, Koyl Agencies Limited,
Real Estate.



ROBERT A. LOESCH

66 Sandham Crescent
Winnipeg 22, Manitoba

Retail Operations Manager; Employed
by the Company since 1963 with
20 years experience in the Retail
Food Business.



JOHN CÔTÉ

55 - 20th Street East
Prince Albert, Saskatchewan

Director; Retired Executive of
The Codville Company Limited.



MICHAEL BRUCKI

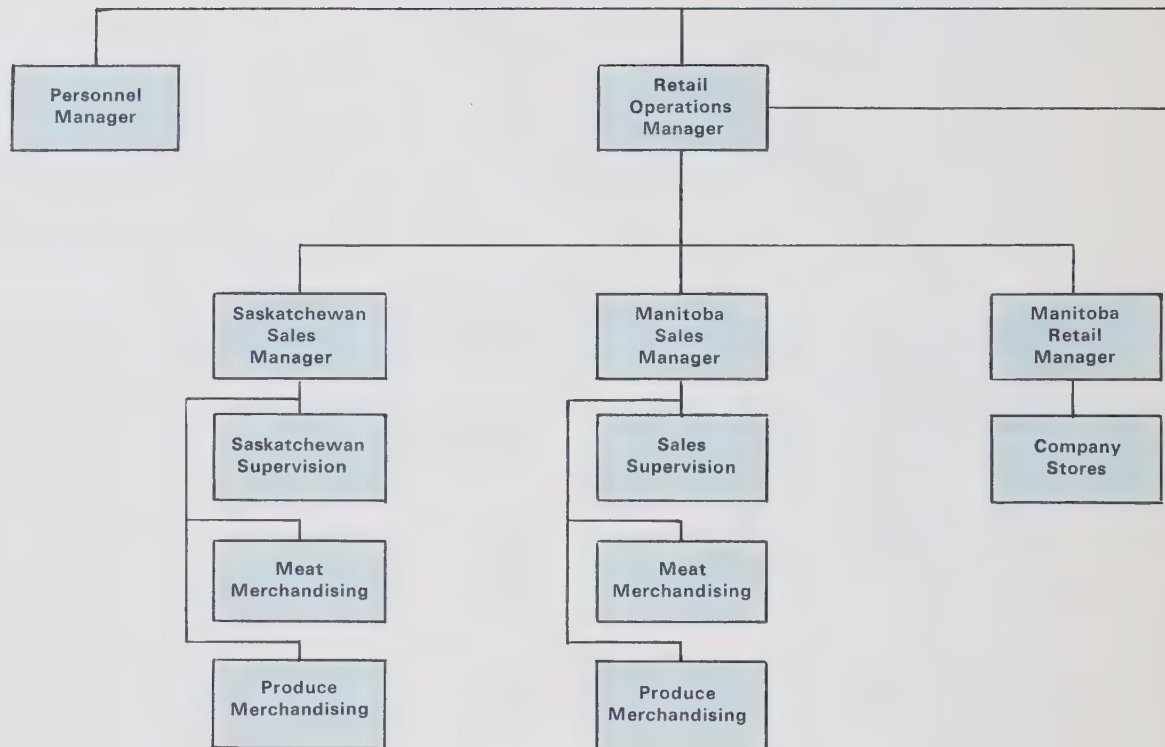
297 Rita Street
Winnipeg 12, Manitoba

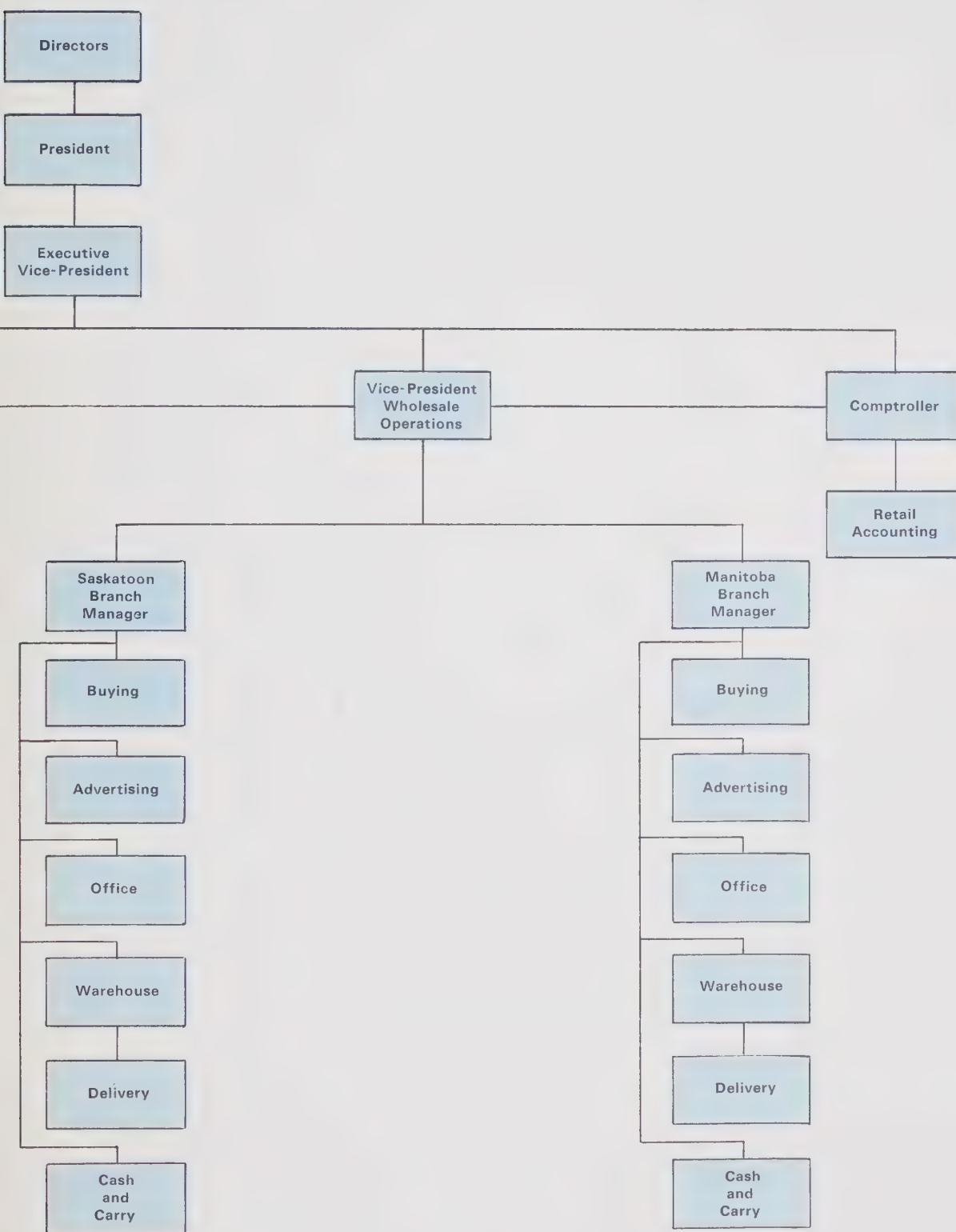
Comptroller. Employed by the Company
since 1959.

*MEMBERS OF EXECUTIVE COMMITTEE

Codville Distributors Ltd.

ORGANIZATION CHART





Codville Distributors Ltd.

and subsidiary companies

HEAD OFFICE

1835 SARGENT AVENUE, WINNIPEG 21, MANITOBA

DIRECTORS

Bruce H. Codville

John Côté

W. Douglas Crowe

Donald H. Koyl

Arthur E. Martin

Thomas W. Meredith

J. F. Reeh Taylor

OFFICERS

B. H. Codville, President

A. E. Martin, Executive Vice-President and Treasurer

J. F. R. Taylor, LL.B., Secretary

REGISTRAR AND TRANSFER AGENT

Canada Permanent Trust Company, Toronto, Winnipeg and Saskatoon

AUDITORS

Thorne, Gunn, Helliwell & Christenson

BANKERS

The Royal Bank of Canada

LISTED ON

Toronto Stock Exchange

Winnipeg Stock Exchange

Codville Distributors Ltd.

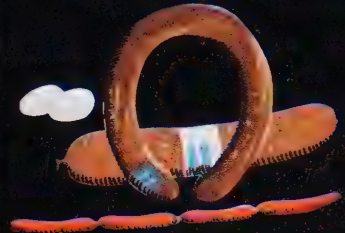
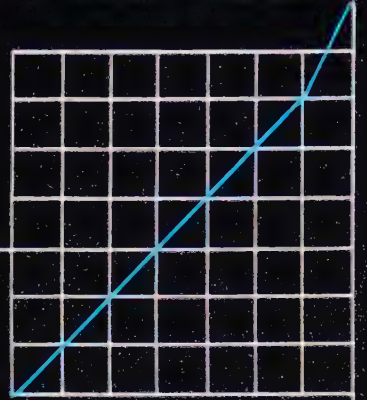
ANNUAL REPORT

1967 - 68

Progress 80

AR08

1888-1968



The Codville Company Limited

Progress 80

INDEX

From the President.....	2
From the Executive Vice-President.....	3
Spring of '69 opening scheduled for Codville's new Manitoba Distribution Centre.....	5
Saskatoon Distribution Centre.....	7
The I.G.A. Program.....	9
IGA retailers (a) Cy Speakman, (b) Andy Dusessoy, (c) Clarence Redlick.....	11
Produce Merchandising.....	14
Meat Merchandising.....	18
Advertising and Promotion.....	23
Stores Engineering.....	26
Retail Accounting.....	28
Retail Division.....	30
Personnel Development.....	36
Finance.....	36

ACKNOWLEDGEMENT

The following pages tell the story of the continuous growth and progress of The Codville Company Limited in its eightieth year of business in Western Canada. Special thanks are extended to the suppliers of The Codville Company Limited, whose generous support have made this publication possible.

From the President



MR. BRUCE H. CODVILLE, President

Employed by the Company since 1949. Director, Codville Distributors Ltd. Director, IGA Canada Limited. Director, The Fidelity Trust Company. Director, Canadian Grocery Distributors' Institute. Mr. Codville is the grandson of the founder, John J. Codville and son of Lieutenant-Colonel F. H. M. Codville, Chairman of the Board for The Codville Company Limited.

Winnipeg was a town of some eight thousand inhabitants, Regina a pile of bones, Calgary not on the map and all of the plains little but the forts of the fur trade and the teepees of the wandering Indians. The famous last "golden spike" of the Canadian Pacific Railway was driven on November 17, 1885, at Craigellachie, B.C.; one of the greatest triumphs of our history. The "Winnipeg boom" followed with waves of homesteaders from all over Europe riding the tide of opportunity and anticipated riches.

In this environment our company was born.

The grocery or general store became the center of many communities. Here, settlers socialized, credit was extended, barter practised and finally supplies purchased. These were barrels of plug tobacco, mats of dried fruit, sacks of bean coffee, triplets of cheese, slabs of bacon and bags of dried beans. Homesteaders bought scoopfuls, sackfuls or barrels, depending on the season and the success of the previous crop.

The boom broke. The fortunes vanished. And the pattern of good times followed by hard times was established; to continue until World War II. So much depended on the weather, the success of the crop and consequently the extension or restriction of credit. The people, hardened by fluctuating conditions, learned to endure the drought, cling to the land while hopefully watching the sky for signs of moisture. Adequate rainfall meant better times—repayment of debts, upgrading of machinery, acquiring more land and building reserves in case the drought should return.

Gradually the cities grew, became industrialized which, together with the discovery and development of natural resources, added impetus to the economy of the plains. No longer is all dependent on the crop, although its success or failure, to this day, affects the welfare of both city and country dweller.

The settling, fluctuating economic conditions, population growth, industrialization and development of natural resources of our marketing area, over the past eighty years, has necessitated many changes within our company. Originally, small branch warehouses were established in rural towns throughout the mid-west. As transportation facilities improved, centralized grocery distribution through the use of large one-storey warehouses became more feasible and smaller rural warehouses were closed.

In the late forties and fifties we witnessed the rapid expansion of the corporated super market chains which caused serious concern to the independent retailer. At that time, some believed, that his very existence was coming to an end. The independent retailer has always represented the backbone of our business and to maintain his and our position in the market-place, we acquired the I.G.A. franchise for Manitoba, Saskatchewan and east to the Lakehead, thereby becoming part of the largest voluntary chain in the world. Today independent retailers affiliated with voluntary groups throughout Canada again enjoy a large percentage of the country's total retail food sales.

Since the acquisition of the I.G.A. franchise the Codville Company has experienced unprecedented growth and achievement. Nevertheless competition has increased sharply over the years and will no doubt continue to do so. Consequently we are engaged in a never-ending challenge to improve efficiency and merchandise more effectively. We are fully aware that only those companies which utilize creative thinking and a great deal of initiative will grow and prosper in the arena of Canada's severely competitive market.

With these thoughts clear in our minds, all of us at The Codville Company look to our future with optimism and confidence. Optimism in the knowledge of the opportunities our future holds and confidence in our ability to meet the challenges it will bring.

From the Executive Vice-President

**"A glimpse at the past, present and future of The Codville Company Limited
on its Eightieth Birthday"**



MR. ARTHUR E. MARTIN
Executive Vice-President and Treasurer
Director, Codville Distributors Ltd.

The year 1888 saw a small wholesale grocer begin operating on the prairies at a location on Bannatyne Avenue in Winnipeg. The firm was known as Codville, Georgeson and Thompson, being named after its founders, who had travelled from Eastern Canada to pioneer in wholesale grocery distribution in Manitoba. The firm's operations enlarged and before too long covered Northwestern Ontario, Saskatchewan and parts of Alberta.

In 1905 John J. Codville purchased the shares of his two partners and the firm was incorporated as The Codville Company Limited. The same year operations were moved to a new location at 49 Victoria Street in Winnipeg. The Company prospered and grew, establishing branch warehouses throughout the prairies. A new division of food manufacturing and processing was created. Being a pioneer in this field as well, the Company distributed its own products under the "Gold Standard" label.

In 1915 John J. Codville passed away and Bruce Gordon and Arthur Chapman took over the management of the Company until the early 1930s. Mr.

F. G. Bowser, as President, led The Codville Company through the depression years and until his death in 1945. Mr. H. K. Shackell then became General Manager and served until his retirement in 1955.

Another significant change took place in 1955 when the Company acquired the I.G.A. franchise for Manitoba, Saskatchewan and Northwestern Ontario. That year sixteen I.G.A. retail outlets in the Winnipeg area were opened, marking the beginning of the I.G.A. name on the prairies.

In 1956, the Company opened its present Manitoba location, a 70,000 square foot distribution centre at 1835 Sargent Avenue. This was a major step in the Company's plans to centralize warehouse distribution. As a result of this move, by 1958 most of the rural branch warehouses had been phased out. In addition, the food processing division of the Company was discontinued and greater concentration of effort was placed on distribution and retail development of the I.G.A. Program.

By the early 1960s the number of I.G.A. stores grew, and the Company had developed its own retail division. In 1965, Codville Distributors Ltd. was formed and Company shares were sold with the intention of obtaining additional capital for continued expansion. The Codville Company Limited is a wholly owned subsidiary of Codville Distributors Ltd. Today there are more than 800 shareholders in nine provinces and two foreign countries. Shares are listed on the Toronto and Winnipeg stock exchanges.

Our company is now servicing some 80 I.G.A. stores and almost 250 Much More stores (a division of I.G.A.) from our Manitoba and Saskatchewan distribution centres.

Earlier this year a new 56,000 square foot distribution centre in Saskatoon was opened. Designed to utilize the most up-to-date methods of merchandise handling and distribution, the Company is equipped to handle more than \$20,000,000 annual sales volume from this centre.

In June of this year The Codville Company purchased certain assets of Campbell, Wilson and Millar, a Saskatoon based wholesale grocer. This acquisition will complement present facilities in Saskatoon.

Non-affiliated accounts are primarily handled through the Company's three wholesale cash and carry's located in Winnipeg, Saskatoon, and Prince Albert. The largest of the three, Hazelwood Davis in Winnipeg, was acquired in 1967. The Saskatoon

cash and carry commenced operations with the opening of the new Distribution Centre in February, 1968. The former Prince Albert Branch warehouse was converted to a Cash and Carry and opened for business in June 1968. Our cash and carry operations provide us with an efficient means of serving smaller accounts and should open avenues to new markets for us. Previously the confectionery and restaurant trade had been difficult and costly to service but now we can anticipate increased volume through new accounts in this area.

The Company plans for further expansion through future acquisitions. The development of natural resources of Manitoba, Saskatchewan and North-western Ontario such as potash, pulp and paper, oil and gas will provide added impetus to the economy

of our marketing area and should stimulate growth for the retail food trade. Population shifts to urban centres, particularly prevalent in the province of Saskatchewan, are expected to increase the percentage of family income spent on food.

Also included in the Company's future expansion plans is the development of the Lakehead - North-western Ontario area. This would necessitate the establishment of a distribution centre in the twin cities of Fort William-Port Arthur.

While all of us at The Codville Company may look back at our achievements with a sense of pride, it is realized that looking ahead in former years has made our achievement to date possible. We continue to plan for tomorrow so that we may take advantage of the opportunities that lie clearly before us.

The Codville Company Limited

SIX YEARS IN REVIEW

	1968	1967	1966	1965	1964	1963
Sales	\$31,656,241	\$25,481,236	\$23,977,288	\$21,520,544	\$18,975,766	\$17,596,366
Depreciation	106,661	96,904	102,120	86,897	72,804	62,949
Income—before taxes . . .	480,337	412,699	312,352	294,844	246,446	118,074
Taxes on Income	216,534	188,324	84,300	114,700	99,609	49,995
Net Income	263,803	224,375	228,052	180,144	146,837	68,079
Net Income as a percentage of Sales83	.88	.95	.84	.77	.39
Cash Flow	370,464	321,279	281,988	267,400	219,641	131,028
Working Capital	540,558	619,665	581,284	1,038,462	400,250	558,441
Current Ratio	1.27 :1	1.46 :1	1.54 :1	1.89 :1	1.34 :1	1.46 :1

Spring of '69 Opening Scheduled for Codville's New Manitoba Distribution Centre



New Manitoba Distribution Centre

The past six years have seen The Codville Company's annual sales figure come close to doubling. Office and warehouse staff have been steadily increasing to meet the demands of new business.

Space is not so easy to increase and the Company found it had outgrown its 70,000-square-foot Manitoba Distribution Centre at 1835 Sargent Avenue in Winnipeg. Sales from this centre alone have increased to four times what they were at the time of its opening in 1956.

For this reason Mr. Bruce H. Codville, the Company's President, took great pleasure in announcing the construction of the Company's new distribution Centre to be located in the industrial area of Fort Garry, a South-West Winnipeg suburb.

The new centre will cover close to 90,000 square feet with almost 12,000 square feet of office space. The approximate 78,000 square feet of warehouse space will feature a higher ceiling than the office area enabling merchandise to be stacked to a height of 26 feet. An annual sales volume of \$40,000,000 can be handled through the new centre. In looking ahead, however, the building is being designed in such a manner that at some future date it may be easily doubled in size on its present site to accommodate a potential \$80,000,000 in annual sales. Obviously The Codville Company Limited has faith in its future!

The office employees of the Winnipeg branch will welcome the fully air-conditioned new offices, all with modern lighting and decor. The spacious, well laid out offices will be a definite improvement over the present location where lack of space has become a problem. The new cafeteria and lunch room will provide a pleasant atmosphere for employees during lunch periods and coffee breaks.



STAN BREZDEN
Winnipeg Branch Manager

A new and larger printing room is included in the building where weekly order forms and Merchandisers will be printed. This area will also serve to house all duplicating equipment.

Coinciding with the occupancy of the new building will be the establishment of a Data Processing department. The Company is optimistic about the effect data processing will have on overall efficiency. Inventory control will be improved and this will help to facilitate faster inventory turnover. The problem of shortages and running out of items should be relieved somewhat through more accurate inventory figures. The improved inventory control is also expected to improve gross profit. Data processing will assist the Billing and Accounts Receivable functions initially and other areas of the Company's operation as time progresses.

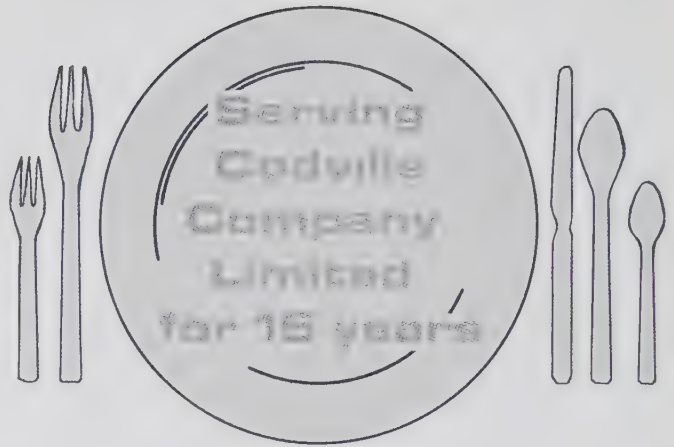
The shipping and receiving area is combined for greater efficiency. Six large overhead doors will provide weather protection to employees engaged in the loading or unloading of trucks at any or all of the twelve available docks. A rail siding leads into the building where up to four rail cars can be unloaded at one time.

The twenty-six-foot high ceiling will necessitate the purchase of special high stacking equipment, much the same as is being used in the new Saskatoon Distribution Centre.

A 3,000-square-foot cooler will be used for the storage of dairy products. Frozen foods, an ever-growing commodity, will be kept in a large walk-in freezer which also covers 3,000 square feet.

The new building is situated on Otter Street near Buffalo Place. This industrialized area is adjacent to provincial highway number three. This location should expedite deliveries to Brandon and most country points west of Winnipeg.

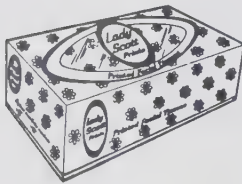
The Company's present location has been rented out to coincide with the occupancy of the new premises by May 1, 1969.



**Western
Smallware
&
Stationery-
Company
Limited**

with branches in Winnipeg & Calgary

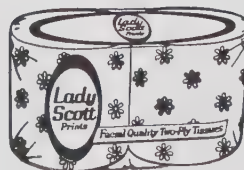
LADY SCOTT



PUREX

SCOTT TOWELS

SCOTTIES



CUT RITE

SUPPLIED BY

Scott Paper Company

EIGHTIETH YEAR OF PROGRESS MARKED BY OPENING OF NEW DISTRIBUTION CENTRE IN SASKATCHEWAN



New 56,000-square-foot Saskatoon Distribution Centre

In February of 1968 The Codville Company opened a new 56,000-square-foot Distribution Centre in Saskatoon, replacing an older four storey and basement warehouse building in the same city.

The new Distribution Centre services all I.G.A. stores throughout the province of Saskatchewan. Simultaneous with its opening The Codville Company closed its Prince Albert Branch and converted the premises to a Cash and Carry operation. With the Cash and Carry servicing non I.G.A. Accounts in Northern Saskatchewan, The Codville Company services the entire province with greater efficiency than was previously possible when operating from two branch locations.

Although smaller in actual floor space when compared with the 70,000 square feet of the Winnipeg Branch location, the Saskatoon Distribution Centre has a 26-foot ceiling which allows 24 feet of rack



M. J. HATCH
Vice-President,
Wholesale Operations



Spacious well-lit office area of
Saskatoon Distribution Centre

storage for merchandise. Because of this exceptionally high ceiling, the Saskatoon Centre can handle an annual sales volume of some \$20,000,000.

The combined shipping and receiving docks of the new centre can facilitate the loading or unloading of as many as eight trucks at one time. This arrangement of combined shipping and receiving has proven to be effective in reducing congestion and speeding up the process of both operations. Should shipping or receiving be extraordinarily heavy on a particular day, the available docks can be used for either purpose, depending on the need at the time. The large overhead doors provide constant weather protection to the employees working in the area.

A railway siding located at the opposite end of the building can accommodate three rail cars.

Warehouse employees total nineteen, all of whom come under the supervision of Vern Williams, Warehouse Superintendent of the Saskatoon Branch.

The general and private offices of the Saskatoon Distribution Centre are well illuminated with modern



Motorized hi-stacker lifts stock to twenty-four-foot shelving height

in-ceiling lighting fixtures. All offices are tastefully decorated in soft-toned pastel shades providing pleasant working surroundings for the office staff.

A large cafeteria and lunch room, located in the building, provides an area for employees to congregate during lunch and coffee breaks.

Provisions have been made in a large room adjoining the office area for Data Processing, another facet of the Company's future plans.

The provision for Data Processing is just one example of The Codville Company's looking ahead in the planning and construction of the Saskatoon Distribution Centre, the opening of which is a fitting tribute to eighty years of progress!



Section of enclosed shipping and receiving area

BLUE RIBBON

Spices

Extracts

Baking Powder

Tea

Coffee

Instant Coffee

RED ROSE

Coffee

Instant Coffee

Tea

Instant Tea

FINE PRODUCTS OF

BROOKE BOND CANADA LIMITED

IGA Program

Independent Grocers Alliance (I.G.A.), a voluntary food chain, was formed in 1926. Its purpose was to organize independent grocers into a group, whereby bulk purchasing became possible and distribution costs were lowered, enabling the independent retailer to compete with corporate chain competition. The basic principle upon which it was founded has proven to be sound. From its modest beginning in 1926 in Chicago, I.G.A. is now the largest voluntary food chain in the world and the second largest distributor of food in the world.

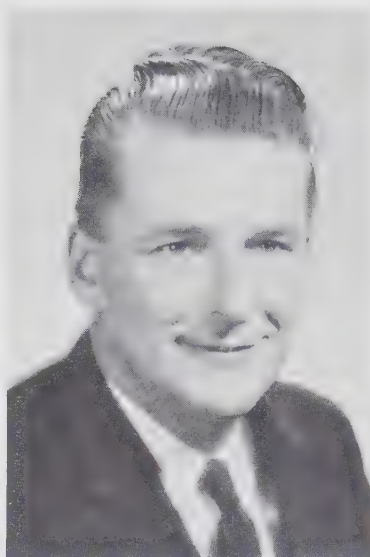
I.G.A. (Canada) Ltd. with headquarters in Toronto is wholly owned by six Canadian I.G.A. wholesale grocers across Canada. Wholesale purchases are made collectively so each wholesaler receives maximum volume rebates, advertising allowances, and cash discounts, etc. Each wholesale can supply I.G.A. stores in its marketing area at prices that permit the store to be competitive with the corporate chain and at the same time maintain an adequate gross profit.

The Codville Company Limited acquired the I.G.A. franchise for Manitoba, Saskatchewan and North-western Ontario in 1955 and began operations with sixteen I.G.A. stores in the Winnipeg area. Today the Company services some 80 I.G.A. stores and close to 250 Much More stores across its franchised territory.

Aside from the benefit of mass purchasing power and low cost distribution, the IGA retailer has at his disposal expert assistance he can utilize in store engineering, grocery buying, produce merchandising, meat merchandising, accounting, retail operations, advertising and promotion. The I.G.A. independent retailer possesses, in effect, a small business with all the advantages of big business services.

The IGA retailer has a protected territory. When his I.G.A. store exists in a particular area, he need not fear a loss in volume due to the opening of another I.G.A. store in the same area.

I.G.A. services include a comprehensive private



R. "BOB" LOESCH
Retail Operations
Manager

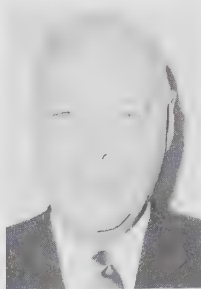
label program. The retailer can merchandise a complete line of top quality grocery products at competitive prices and still enjoy a better than average gross profit using his own I.G.A. brands. This again is made possible by mass purchasing power through I.G.A. headquarters. Headquarters is able to contract the packaging of I.G.A. products to major national suppliers of quality products at lower costs because it is purchasing large quantities for all I.G.A. depots across Canada at the same time.

Services to the I.G.A. retailer remove many of the problems and burdens faced by the individual operating his own business today. Herein lies another pertinent advantage to the I.G.A. retailer—he may concentrate his efforts on in-store merchandising to increase the sales volume and efficiency of his operation. And last, but not least, he has time to provide his customers with personalized service; the all-important factor which has contributed so much to making I.G.A. successful throughout Canada.

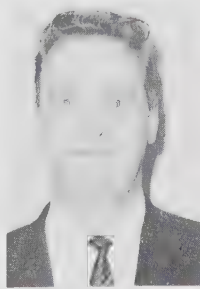
CODVILLE'S SASKATCHEWAN SALES STAFF



LORNE KERR
Sales Manager



CHARLIE WHITE



JACK LEARD



TERRY SMITH



ERNIE GALLAGHER



BOB HUNTER

CODVILLE'S
MANITOBA SALES STAFF



BILL McKENZIE
Sales Supervisor



H. "FUZZ" HARRISON
Sales Serviceman



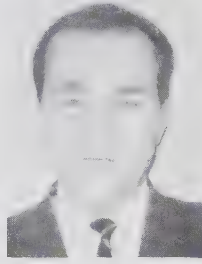
MURRAY NELSON
Meat Merchandiser



DICK RUDOLF
Sales Serviceman



RAY DESJARDINS
Sales Serviceman



ED GUENTHER
Produce Merchandiser

"Congratulations
on
80
progressive
years"

Our many principals
join us in wishing you
continued prosperity

**Perco
Whitley
Sales**

Western Canada's Leading Food Brokers
Head of the Lakes to Victoria, B.C.

Congratulations for 80 years of Service
to the grocery business, & still growing
from **Tees & Persse Limited**

MANUFACTURERS AGENTS REPRESENTING

Aluminum Company of Canada
The Canadian Fishing Company Limited
Church & Dwight Limited
Eddy Match
General Foods Limited
Keenan Industries Limited
Lee's Food Products Limited
Megantic Manufacturing Company
Ralston Purina of Canada Limited
William Underwood Company

CY SPEAKMAN CELEBRATES PARKVILLE I.G.A.'S EIGHTH BIRTHDAY WITH ST. BONIFACE

The City of St. Boniface in Metropolitan Winnipeg celebrated its 150th birthday this year. Being the home of Parkville I.G.A., Cy Speakman, the store's owner, proudly celebrated his eighth year of doing business in this rapidly growing community.

Parkville I.G.A. is located in Windsor Park, a newer residential section of St. Boniface. Cy opened his store in 1960 in the then new Windsor Park Shopping Centre. Windsor Park consisted of only a few streets in 1960, but it has since grown into one of Metro Winnipeg's largest residential areas. Parkville I.G.A. has kept pace with the community all the way.

The store covers 10,800 square feet in area and modern up-to-date fixtures are found in all departments. Parkville has enjoyed healthy sales increases each year since its opening. The steadily increasing volume necessitated a major remodelling in 1966. Grocery gondolas were extended and the Produce Department was moved from the back of the store to the east side. When the remodelling was completed, Parkville had a new floor layout and the store was able to serve its many customers more easily, as well as offer a greater variety of products.

Cy Speakman went into business for himself after working for a number of years with independent and corporate chain stores. He opened his first store in 1946, in a very small building on the corner of Rosedale and Cockburn in Winnipeg. Cy and Mrs. Speakman worked hard in their little operation until 1955, when they decided to move across the street into a larger store. It was during that year The Codville

Company had started to organize I.G.A. in Winnipeg. Cy could see the advantages of the I.G.A. program and he felt he could better himself by joining, which he did. Under the I.G.A. banner, business grew more rapidly than he'd ever experienced. It was this factor that led him to the decision to move into his present store, Parkville I.G.A.—a decision he has never regretted.

Parkville employs a staff of eighteen, including six part-time students. It is the loyalty and hard work of his staff that Cy Speakman attributes to much of his success in Parkville. Parkville's meat and produce personnel have won several awards in "Salad Month" and "Beef Roundup" promotions.

Ted Kilimnik, Parkville's Assistant Manager, has won awards for his display work for the past two consecutive years in the "Tea for Canada Week" promotion.

Last year Cy won a 1967 Camaro sports coupe in Codville's annual I.G.A. sweepstakes. The sparkling new car was given to Mrs. Speakman (who has since "retired" from the grocery business) for past services rendered.

Cy regards the assistance and support of members of the staff of The Codville Company Limited as being instrumental to his success.

Of The Codville Company he states: "They have never been anything but honest and fair in the many years of my dealing with them. Their program offers by far, the best chance for success for the independent food retailer of today."



Cy Speakman (centre) can usually be found providing personalized service to customers



Parkville I.G.A.

FROM MILK ROUTE SALESMAN TO ONE OF MANITOBA'S LARGEST INDEPENDENT FOOD RETAILERS



Dusessoy's I.G.A.

When Andy Dusessoy, the dairy salesman, decided he wanted to become Andy Dusessoy, the food retailer, he moved his young family into St. Boniface where he had acquired a tiny twenty-foot by twenty-four-foot store with adjoining living quarters.

For the first while after the store opened, Andy remained on his milk route while Mrs. Dusessoy ran the store. Today, when recalling these times, Andy refers to his wife as "one of the best checkers, meat or produce managers I've ever hired!"

In 1955, when The Codville Company introduced the I.G.A. Program, Andy recognized opportunity and became one of the original I.G.A. Members. By this time Andy had become a well established retailer in the community and with this move he increased his ability to compete with lower prices. Business boomed, and by 1957 after expanding his twenty-foot by twenty-four-foot store three times; it then measured 3,500 square feet.

That same year marked a major step in Andy's progress. Andy opened a new 5,800-square-foot I.G.A. Foodliner in the Municipality of St. James which was then little more than prairie on the western outskirts of Winnipeg. Nevertheless he had confidence in the area, which was soon to be justified. By 1960 Andy found himself located in the centre of Winnipeg's fastest growing suburb and sales had increased by leaps and bounds. In 1960 he found it necessary to increase his store's size to 10,000 square feet.

Considerable competition soon moved into the area, but this did not affect Andy's progress. In fact by 1966, sales continued to increase to such an extent that he expanded the store again—this time to 12,000 square feet.

Julian Dusessoy, Andy's son, manages Dusessoy's I.G.A. Foodliner with his father. Julian took a real liking and interest in the food business at an early age when he began helping his father in the store after school and then going into the business full time after completing his education. Having "grown up" with the business, Julian can well be considered a real veteran in the industry.

Dusessoy's I.G.A. Foodliner now employs twenty full and part time people and is fully modern in all respects. The Meat Department utilizes a sixty-foot refrigerated meat counter while the Produce Department uses a fifty-foot refrigerated counter and eight four-foot by seven-foot spot merchandisers. The grocery department includes a forty-four-foot frozen food counter and a thirty-five foot dairy case. Customers find plenty of free parking space in the adjoining 25,000-square-foot parking lot.

Andy feels that the success of any independent food retailer today, depends on his ability to provide courteous, friendly service with competitive prices. He attributes his ability to do this to the close working relationship he has had with The Codville Company Limited during the many years of their association.



Andy and Julian Dusessoy

FORMER CODVILLE EMPLOYEE NOW SUCCESSFUL AS AN I.G.A. RETAILER



CLARENCE REDLICK

Clarence Redlick, at twenty-nine, is one of the younger members of the I.G.A. group in Saskatchewan. Despite the fact Clarence is still young in years he possesses a great deal of experience.

At seventeen he managed a Co-op and Biggar Locker Plant. He then spent five years with Capital Foods in Saskatoon, three of which he was employed as a meat manager. He left Capital Foods to join The Codville Company as Meat Supervisor at the time when I.G.A. was being organized in Saskatchewan. His career as an I.G.A. retailer began on October 5, 1967, when he opened Eastgate I.G.A.

Eastgate I.G.A., located on 8th Street in Saskatoon, covers 15,000 square feet. Part of this space is used for an in-store bakery, a popular attraction, providing fresh bread and pastries daily.

Meat is sold from a 92-foot display counter and two dual-controlled meat merchandisers. A large, refrigerated cutting table is set up in the working area to ensure the freshness of meat sold on the counter.

The Produce Department uses a 60-foot refrigerated counter with several smaller produce bins for special displays.

The Grocery section features a 56-foot island case for frozen foods. Dairy products are attractively

displayed in a 24-foot five-tier dairy counter.

Seven Spee-dee check-out counters provide prompt, efficient service to Eastgate's many customers.

As a former employee of The Codville Company, Clarence Redlick is well versed in the advantages of the I.G.A. program. Undoubtedly it was for this reason that Clarence took the major step to become an I.G.A. retailer when the opportunity arose. Being the owner of a large modern supermarket on an ideal location in one of Canada's fastest growing cities is an enviable position indeed. For at twenty-nine, Clarence Redlick has attained a measure of success that takes many men most of a lifetime to achieve.

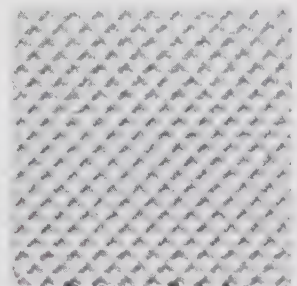
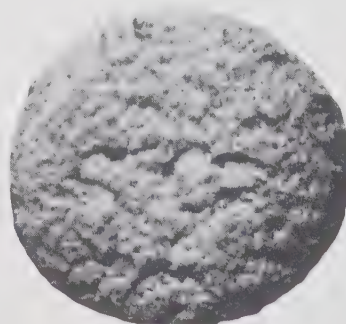


Eastgate I.G.A., Saskatoon



Shelves in readiness for grand opening

PAULIN CHAMBERS COMPANY LIMITED



Fraser Valley Frosted Foods



Produce Merchandising

**"Freshness and Quality Maintained as Foundation for IGA
Tablefresh Produce Program"**



"Fresh for Salad" Golden Award presented to R. Jeffery, Produce Merchandising Manager, Winnipeg Branch, in Vancouver for top award for Prairie Provinces (1967) in Annual Salad Month promotion. Making presentation is Ken Todd, President Canadian Fruit Wholesalers Association.

The Codville Company Limited can be justly proud of its I.G.A. produce program. The Company has achieved an admirable record of success in winning awards over the years in both provincial and national produce promotional competitions. Produce buying and merchandising comes under the direction of Mr. Reg Jeffery in the Winnipeg Branch and Mr. Bob Green in the Saskatoon Branch.

Not unlike the Meat Department, Produce is also a key department through which "Mrs. Consumer" judges the supermarket in which she shops. The produce department can increase or decrease total store sales depending on the freshness and quality of its products and how effectively they are displayed. For this reason, The Codville Company's produce buyers take every precaution to ensure that all produce

sold in I.G.A. stores is of the greatest freshness and highest quality available.

Produce is sold in I.G.A. Stores under the "Table-fresh" name, and it is purchased mainly from Allied Fruit Limited in Winnipeg and Dominion Fruit in Saskatoon. The Codville Company has arrangements with the produce suppliers whereby produce is shipped from the wholesale fruit house directly to the store. This practice eliminates the need for The Codville Company to set up produce warehousing facilities. Produce is purchased in carload quantities and consequently costs are lowered to the individual retailer.

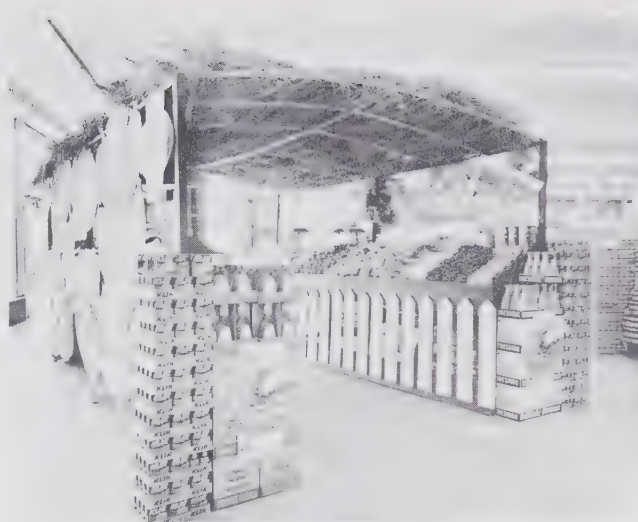
The cost of produce fluctuates a great deal with weather conditions in the area where a particular item is grown. Because of this, costs are unpredictable on fresh fruit and vegetables. Coupled with the fact that there are more than twenty-six fruit wholesalers in Winnipeg, prices can vary and the retailers could spend many valuable hours each week negotiating with fruit wholesalers in an attempt to obtain the best possible price.

The Codville Company believes that by working exclusively with one or two reputable wholesalers, a high standard of quality can be maintained and in the long run the most favourable prices are achieved through mass purchasing. By arrangement with The Codville Company's produce suppliers, most I.G.A. stores are able to order and receive produce almost daily. Thus, the store is able to maintain fresh stock in the Produce Department continually.

When produce is received at store level, the stock is inspected and any produce not meeting "Table-fresh" specifications is returned.

In addition to buying, The Codville Company's produce merchandising personnel pay regular visits to each I.G.A. store. Assistance is given in the form of in-store direction to produce operators, help in extra produce promotional work, and in training new produce personnel. Produce seminars for the retailer and his produce staff are conducted regularly. Topics covered range from upcoming produce promotions to special handling procedures for seasonal and other produce items.

A weekly produce "Merchandise" is prepared and distributed to all stores. This small but informative publication includes upcoming advertised and promotional items, merchandising tips and market information. An order form and retail price guide is also prepared and distributed weekly. In this manner, stores are informed quickly of any price fluctuations in the wholesale market.




Award winning 1967 "Salad Month" display at Kenwood I.G.A. in Brandon



Jim Davidson, Manager Kenwood I.G.A. in Brandon, accepts award for above display



BOB GREEN
Produce Merchandising Manager,
Saskatoon Branch



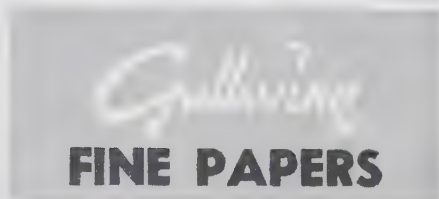
The
cleanest
products
in
Canada

**Colgate
Palmolive**

FOR QUALITY, SPECIFY ...



**ENVELOPE KRAFT and
KRAFT WRAPPINGS**



MANUFACTURED BY DRYDEN PAPER COMPANY LIMITED, DRYDEN, ONTARIO
LOCATED IN THE CENTRE OF CANADA

Sole Representatives

ANGLO PAPER PRODUCTS, LIMITED
WINNIPEG - TORONTO - MONTREAL

MAZOLA



100%
Pure
Corn
Oil

THE PROFIT-MAKING
FASTEST-SELLING
RETAILER'S FRIEND

Best Foods Division

THE **CANADA
STARCH**
CO. LTD.

MAZOLA



We're pretty fresh alright!



If we see a real "swinging" company who knows where it is going we'll go right ahead and ask for a date. Maybe it sounds immodest but we have the goods and we think we can deliver them—table fresh! We also feel that a "swinger" likes to deal with someone who knows his way around—someone who knows where the trouble spots are and how to avoid them. Some people might call that "being fresh." We call it confidence. So do our customers. How about a date?

Allied Fruit & Produce Ltd.

WE'RE FULL OF BEANS
 & OTHER GOOD THINGS
 THEY'RE SO GOOD!

Libby
 McNeil
 &
 Libby
 Canada
 Ltd.

Meat Merchandising

"Tablerite Meat Program Built on Quality"

The meat department in any of today's super-markets can be the major underlying cause of the overall success or failure of the store's operation. More often than not "Mrs. Consumer" will do her regular weekly shopping in the store that has the meat department that gives her the greatest satisfaction. Realizing this, The Codville Company Limited has applied a concentrated effort in developing its meat program to the highest standards of quality.

Mr. Dan Clement supervises the Meat Merchandising Department in the Winnipeg branch while Mr. Fred Harreveld handles the meat operations in the Saskatoon branch. Both gentlemen also do the buying for their respective divisions through regular weekly trips to the various packing houses.

All I.G.A. meat products are sold under the "Tablerite" name. The Codville Company has worked hard to make the name "Tablerite" synonymous with quality to the buying public. Company policy permits only top graded quality meat, poultry and fish products to be selected by Codville's meat buyers for distribution and retail sale in I.G.A. stores. Specifications for selection of meat products are one of the highest in



D. CLEMENT
 Meat Buyer for
 Winnipeg Branch



FRED HARREVELD
 Meat Buyer
 Saskatoon

the industry. As an example, only Canada Red Brand Steer Beef is sold in I.G.A. stores. Beef is aged at the packing houses at temperatures of 32° to 34° Fahrenheit until connective tissues break down by natural processes to give a greater degree of tenderness to the meat. Where necessary, further aging takes place at the store. Sides of beef purchased range from 550 to 600 pounds.

I.G.A. has the largest private label meat program in Canada. Precooked and packaged meats such as ham, bacon, pork and beef sausages, sandwich meats, etc., are sold under the Tablerite label. Not long ago Tablerite "A" turkeys were added to the Tablerite program and have met with considerable consumer acceptance.



Typical Tablerite Meat Department during Beef Roundup promotion



Bill McKenzie (at left), Sales Supervisor for Brandon Area, presents 1967 Tablerite King award to Russ Mummary, I.G.A. retailer from Brandon

All meat products are purchased and shipped directly from the packing houses to the store approximately three times weekly.

Weekly cutting tests are taken at current week's advertised prices to determine gross profit which can be obtained on a particular section of beef advertised that week. This practice helps the meat cutter decide what steps he must take to ensure a reasonable gross profit for that particular week.

All meat personnel in I.G.A. stores regularly attend meat merchandising meetings under the direction of Mr. Clement and Mr. Harreveld. Here tests on all phases of meat cutting are covered, as well as product promotion, merchandising, meat department bookkeeping and ordering procedures.

One of the largest retail meat promotions in the country is the annual I.G.A. Tablerite Beef Roundup. The "Beef Roundup" is held for three to four weeks every fall featuring all beef cuts, with special emphasis on freezer beef orders. This promotion is met with enthusiasm at all levels with prizes being awarded to the meat markets showing the highest sales increase over the previous year.

In addition to meat buying, merchandising and conducting training sessions The Codville Company Limited's meat personnel call on the meat departments of all I.G.A. stores regularly to assist the market manager in each store with the typical problems that can confront today's meat operator. Their wide and varied experience with supervision of all types and sizes of meat markets qualifies them to handle almost any problem that can arise at retail.

SUGAR

is
v e r s a t i l e

To hear some people talk, you'd think that sugar was something you either took in coffee — or didn't. The fact is, sugar is much more than a sweetener, it's one of the most versatile foods in your kitchen.

Add sugar when preserving or freezing fresh foods. Use it also when you're cooking soup or vegetables, and notice how true, natural flavours are accented. Sugar in your tea or coffee is a great energy booster — and next time you are cooking or preserving — remember to add sugar for best results.

MANITOBA SUGAR COMPANY LIMITED
WINNIPEG

The Codville Co

A revolution has taken place in the food industry since Codville began operating in 1888.

In those days Codville was a virtual pioneer battling poor roadways with extremely limited transportation equipment. So, of course, many more warehouses had to be built since transportation over long, rough distances was impractical.

Now, in the supermarket era, Codville's huge distribution centres coupled with modern freeways have reduced the cost of getting even the most exotic foods to the market places of Western Canada.

Today, with family cars and freezer compartments, shoppers have become bulk



FRANCHISED SUPPLY DEPOT FOR IGA STORES IN MANITO

Company Limited



buyers so voluntary group stores have become the answer to low-cost grocery items. Codville introduced the IGA Program in 1955 to fill this demand for mass merchandising.

In Codville's 80th year, its shareholders in nine Canadian provinces and two foreign countries have expanded Codville's facilities so effectively that Western Canadian customers set a record by increasing Codville's sales by 24%.

Continued expansion and technological changes in distribution techniques promise an exciting future for Codville's staff, franchised retailers, suppliers and Western Canadian food consumers.

SASKATCHEWAN AND NORTHWESTERN ONTARIO



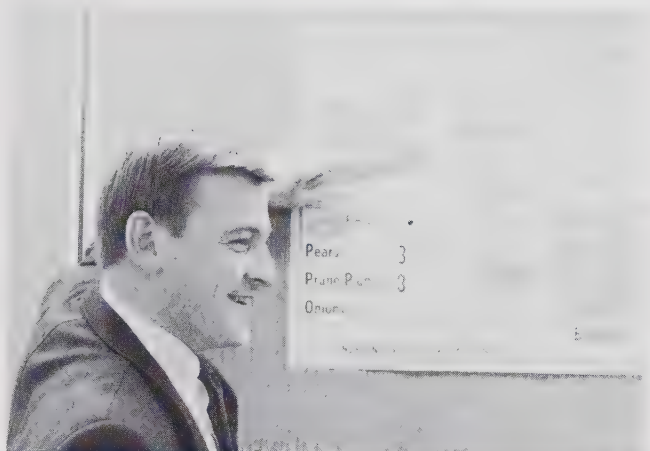


Wherever you see the 'CP' mark—Canada Packers' pledge of finest quality—you have assurance that everything is being done that our research people—our suppliers—our plant people—our distributors can do to give you the very best possible products of their kinds.

Maple Leaf Meats • Poultry • Eggs • Butter • Cheese
York Canned & Frozen Foods • York Peanut Butter & Salted Nuts
Rose & Tulip Margarines • Domestic Shortening
Klik & Kam Luncheon Meats • Klik, Kam & Maple Leaf Sandwich Spreads
Maple Leaf Soap Flakes & Liquid Detergent



Advertising and Promotion



Julian Galbecka, Advertising Manager in Winnipeg, outlines upcoming handbill to Merchandising Committee

The interesting and challenging job of creating traffic and promoting sales at retail level falls into the capable hands of the Advertising Departments of Codville's Winnipeg and Saskatoon offices.

Weekly newspaper advertising is the core of advertising support to I.G.A. retailers. Layouts are designed to attract consumer readership through effective display of proper items and prices, stimulating "Mrs. Consumer" to shop in her nearest I.G.A. store. In each advertisement the Department strives to reflect an attractive individual style of advertising which will enhance the I.G.A. image.

Handbills are prepared on a regular basis for I.G.A. and M.M. stores. An individual store would find the cost of regular handbill distribution prohibitive, but Codville's Advertising Department find that by preparing the layouts themselves and pooling the purchases of all stores, costs are minimized. Handbill items are uniform for all stores with the exception that each store's individual name appears on its own handbill.

Newspaper and handbill advertising is complemented by radio spot commercials used several times daily. Television is used for special promotions and featured weekly values. Window posters, banners and other in-store point of sale advertising material

is acquired in large quantities for distribution to I.G.A. stores at low costs.

Codville's Advertising Department plays a major role in special promotions such as Salad Month, Cheese Festival, I.G.A. Brands Sale and the Tablerite Beef Roundup. When such a promotion occurs, the Advertising Department is expected to come up with new ideas for the presentation of the promotion to the public. The Codville Company's record of achieving recognition with competitions in national and provincial promotions, has been due, to a large part, to the creative ability of the advertising personnel.

Merchandising bulletins are prepared and distributed to the stores weekly by the Advertising Department. The "Merchandiser" consists of three parts covering the Grocery, Meat and Produce Departments. The Grocery and Meat Merchandisers list advertised items for two weeks in advance, while the Produce Merchandiser gives the following week's advertised items and prices plus information on the quality of produce items currently available. Merchandising tips for all departments and news of upcoming promotions are other features of this publication. Suggested tie-in display items and tips on building displays of seasonal items are also included.



Merchandising Committee meets weekly to discuss future advertising and promotions



Choose the extra fine quality of MANITOBA grown PRODUCE all during...

Price Marches July 17, 18, 19, 20, 1968
We reserve the right to limit quantities.

SALAD MONTH

Lettuce 2:37¢
Cabbage 2:15¢

Minestrone 75¢
Cucumbers 2¢
Tomatoes 25¢
B.C. Cherries 59¢

Top Radish or Green Onions 3:25¢

SALAD BOWL GAME
WINNING: BLUE HORNETS vs. OTTAWA ROUGEGRIS
LOSING: BLUE HORNETS vs. OTTAWA ROUGEGRIS

CREAM CORN 6:1.00

Better Canned Drinks 1.89
Potato Chips .59
Spaghetti 6:1.00
Pot Food 10:99

FRYERS 45¢
STEAKS 99¢
SUGAR 2.19

PHONES 49¢
WIENERS 53¢
BACON 79¢
BOLOGNA CHUBS 89¢
SLICED MEATS 99¢

SIDES OF BEEF 53¢

Advertising and merchandising meetings are held every week. This meeting is attended by the Meat, Produce and Grocery Buyers, Advertising and Sales Servicemen who are in close contact with the Retailers. Weekly advertising is assessed and decisions are made on future advertising promotions. Upcoming promotions which had been presented by suppliers during the past week are brought to the meeting for consideration and are then accepted or rejected by the Committee.



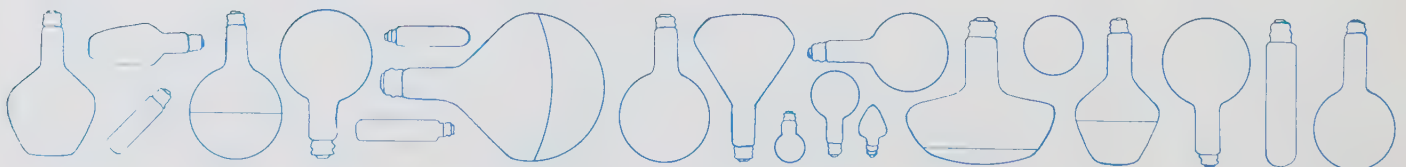
Prizes being awarded at 1968 I.G.A. Sweepstakes dinner and dance

Typical newspaper advertising used in I.G.A. advertising programs

eureka!



What other word can you use when you have a product that adds six full years of living to your life? Look at it this way: on an average, light bulbs give you *at least* two extra "after dark" hours every day to read your paper, play with your youngsters or entertain your friends. That adds up to 30 days a year or about six years in a lifetime. And these "after dark" hours usually mean "after work" hours, the most pleasant hours in the day—the ones which are lighted in most Canadian homes by GE bulbs.



CANADIAN GENERAL ELECTRIC

LAMP AND ELECTRIC TUBE DEPARTMENT

JIM COBLE
Advertising, Saskatoon



The Advertising and Merchandising meetings provide an excellent opportunity for an exchange of ideas from the Retailer through his Sales Serviceman, who can discuss the problems of retailers in his territory and present the suggestions made by his accounts. The Sales Serviceman also arranges for additional advertising or promotions requested by the individual stores.

Periodic meetings are arranged by the Advertising Department with I.G.A. retailers when major promotions are presented for discussion. Here again the exchange of ideas can flow freely, and Advertising Personnel can discover the strength and weaknesses of their overall program.

It has always been difficult to assess the effectiveness of any form of advertising. Nevertheless, experience has shown that only through constant communication with retail outlets can the Advertising Department expect to keep in pace with the ever-changing field of food merchandising.



**When You're Looking
for a Better Line of
Canned and Frozen Foods**

***Pick the Bright Red Chevron
York — The Aristocrat of
Fine Foods***



Suppliers to
THE
CODVILLE COMPANY LIMITED

of
world renowned

**Hereford
Corned
Beef**

and

**D.C. Brand
Canned
Fruits**



**WEDDELL
LIMITED**

8360 Bougainville Street, Montreal 9, P.Q.



"80 years old? Good Grief..."

The Codville Company acts pretty young for an 80 year old.

(Maybe it's that Western air.)

Anyway, best wishes from all of us at McCormick's.



Stores Engineering

Successful and realistic planning is necessary for the growth of every company and The Codville Company Limited feels this applies as much to an independent I.G.A. Store as any other business. For this reason The Codville Company's Stores Engineering Department, under the direction of Mr. W. J. Hendy, provides assistance to the retailer whenever he may decide to remodel his present store or move into a new store.

Once the retailer decides he could increase sales by making physical changes within his store, he contacts the Stores Engineering Department and explains the nature of his plans. A survey is then taken of the store with a view to effecting a new floor layout which could increase traffic flow and possibly shelving space. Often these reports may uncover a need for newer or additional fixtures. Store supplies and fixtures are available at substantial savings to the retailer through the volume purchasing power of The Codville Company Limited.

The retailer may decide it would be more advantageous to move into a larger store in a new location or he may even wish to acquire a second store. In either case The Codville Company will look for suitable buildings for that purpose or try to find choice sites on

Odds bodkins!

80 years old!

That's a lot
of progress



Robin Hood Flour

which a new store may be built. This is done with surveys studying traffic flows, extent of competition and potential sales for the area.

Should the retailer decide on the construction of a new store, The Codville Company provides further assistance by developing floor plans and building designs. The Company will also arrange for the services of an architect if the retailer has not already done so.

One of the major problems often faced by the independent businessman desiring to expand is that of acquiring the necessary capital. The Codville Company provides a financing service whereby the Company will arrange for necessary loans at reasonable interest rates for five to ten year periods.

Once a store is near completion, The Codville Company sends in an experienced crew made up of retail merchandising specialists. In coordination with the store owner, shelves are stocked by department to provide customers with the utmost in convenient shopping. End displays are built and the finishing touches are taken care of for the grand opening of the store.

Codville's store engineering service is a very important phase of its complete program for independent retailers. Through this service the retailer is able to obtain the latest information on store design, fixture layout, merchandise arrangement, site selection, sales potential surveys and, when feasible, financial assistance is given. The service also saves him capital through the mass purchasing of retail store equipment. This assistance saves the store owner considerable time so that he can concentrate his energy on building sales and serving customers. Store Engineering is another example of the interdependent relationship that exists between the I.G.A. Supply depot and the I.G.A. retailer.



W. J. (PAT) HENDY, Stores Engineer

PUREX CORPORATION

Trend Detergent

Dutch Cleanser

Sweetheart Products

REYNOLDS ALUMINUM
foil wrap

PRAIRIE MAID CEREALS

Wheat Puffs

Rice Puffs

Tuffys Nuts & Bolts

BICKS OF CANADA LTD.

.

**Martin
and
Robertson**

E. D. SMITH & SONS LTD.

WINONA, ONTARIO

Pure Jams

Pie Fillings

Tomato Products

H. P. Sauce

Lea & Perrins Sauce

•

Sale Agents for:

ST. LAWRENCE STARCH CO. LTD.

Port Credit, Ontario

The ST. LAWRENCE STARCH Co. Ltd.

Port Credit, Ontario

•

Beehive Corn Syrup

Durham Corn Starch

S.L.S. Baby Powder

Ivory Laundry Starch

St. Lawrence

Corn Oil

Retail Accounting

"Accounting for Profit"



R. HOPE
Retail Accountant

Proper accounting procedures and records are to the independent businessman today as the compass is to the mariner. Both are necessary to each individual in plotting the course he will follow.

The Retail Accounting Department of The Codville Company Limited provides the I.G.A. retailer with the information he needs to make sound decisions concerning his operation.

All of the necessary accounting forms for day-to-day operations are supplied by the Retail Accounting Department. These include cashiers' daily reports, weekly sales reports, weekly payroll forms and weekly operational control forms.

Four-week operational control statements are prepared for the retailer. From this statement he can discern sales, sales ratios, and gross profit, by department, as well as comparisons to the same figures for the previous year.

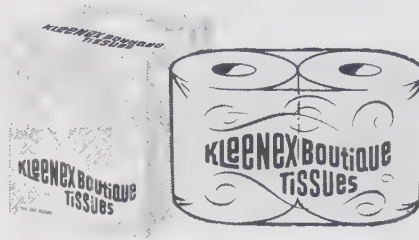
The Retail Accounting Department will give advice on the proper procedures to be used in taking physical inventory at store level. To ensure accurate gross profit figures for the grocery department, the necessary information is made available, and actual statements of profit and loss and balance sheets are prepared for the store as often as required by the retailer. If desired, these statements are reviewed and interpreted with the assistance of an accountant or sales serviceman.

The annual task of filing income tax returns is becoming more complex each year. The Retail Accounting Department prepares the income tax return for each store as part of its service. Also included in this service is the preparation and balancing of employees' T-4 slips.

Government departments, such as The Dominion Bureau of Statistics, require an increasing number of reports for various publications. These reports present a time-consuming job for the retailer, but here again he may turn the job over to Retail Accounting. The same service is available for the filing of Workmen's Compensation reports.

By utilizing the many services provided for by The Codville Company's Retail Accounting Department, the I.G.A. retailer saves valuable time which can be spent on the job of merchandising for increased sales and profits.

Congratulations to The Codville Company Limited on celebrating 80 years of service in the prairies



KIMBERLY-CLARK * OF CANADA LIMITED



THE COMPANY WITH THE
AFTER SALE SERVICE

IMPROVE YOUR CHECK-OUT
OPERATION WITH THESE SELF STUDY
NCR COURSES FOR YOUR STAFF

- ... How to weigh produce
- ... Cashing cheques
- ... Proper bagging in a grocery store
- ... Proper price marking
- ... Positioned amount control



FOR SERVICE CALL

Winnipeg	452-4633	Yorkton	783-9185
Brandon	728-0773	Swift Current	773-4890
Swan River	734-3944	Saskatoon	244-4455
Kenora	468-7440	Prince Albert	764-0839
Fort William	MA 3-8669	North	
Regina	523-5671	Battleford	445-4332

**THE NATIONAL CASH REGISTER COMPANY
OF CANADA LTD.**

1619 PEMBINA HIGHWAY — WINNIPEG 19, MANITOBA

Congratulations
80 years
is a lot of
progress
!

1888

1968

Nabob Foods

Retail Division



R. JOHNS

Retail Division Manager

One cannot understand the problems of another unless they were once his own. Similarly, The Codville Company Limited would find it difficult to assist I.G.A. retailers with the difficulties they can face were it not for the fact Codville possess retail outlets of their own.

The Retail Division was started in the early 1960's in order to take advantage of good store locations and to establish I.G.A. stores throughout the Company's franchised territory.

In the Retail Division The Codville Company is able to experiment with new merchandising techniques, test the sales potential of new products and discover solutions to everyday problems encountered

Bitefuls of flavour
locked into every loaf...

You said a mouthful!

**Weston
Bakeries
Limited**

WINNIPEG • REGINA • CALGARY
EDMONTON • VANCOUVER • VICTORIA

in retail food merchandising. The knowledge and experience gained from the operation of the Retail Division is of considerable value to the Company in extending to independent retailers the many services provided in the I.G.A. program.

There are nine stores in the Retail Division of The Codville Company. Most of these stores, including a large discount supermarket, are located in the province of Manitoba, where they come under the direction of Mr. Dick Johns, Retail Manager of the Winnipeg Branch.

MANITOBA'S FIRST DISCOUNT SUPERMARKET

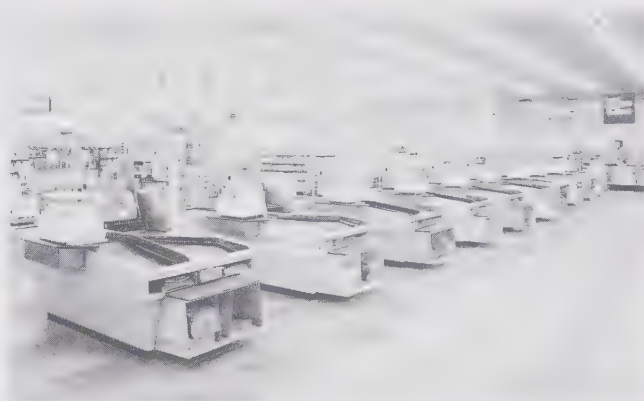
Foresight is a valuable commodity which The Codville Company was fortunate in possessing when they opened Manitoba's first conventional discount supermarket in 1963. Price-less Foods, in Winnipeg, was opened under the same roof as a large discount department store. The store's policy was advertised: "No Gimmicks, No Lures at Price-less Foods . . . All You Save Is Money."

Consumer acceptance of Price-less Foods soon became apparent. As a result of increased sales, the store was doubled in size to 22,000 square feet in 1967. The building is adjacent to Western Canada's

largest shopping centre, situating Price-less in one of the heaviest traffic areas for shoppers in the city.

The customers are serviced through ten Wright checkout stands with an additional checkout for the tobacco and drug departments.

Gondolas are 66" high and spaced well apart for wide-aisle convenience shopping. A giant 64' long Coldstream island display case runs through the centre of the store for frozen food and ice cream. An additional 32' display case completes the aisle with more frozen food items.



Ten Wright check-out counters provide speedy service

Superior Food Importers Limited



Importers and distributors
of
Gourmet Foods
and
Cheeses from around the world

The Meat Department, situated at the rear of the store, uses a 48' two-tier self-service meat case for fresh meats, and a 24' three-tier case is utilized for displaying smoked meats, sausages, bacon, wieners, etc. The Department also uses a 12' frozen meat counter and two dual control refrigerated spot "meat merchandisers." Because of the extensive facilities, Price-less is able to offer a wide variety of meat products including some specialty lines of fish not found in every supermarket.

The Produce Department is located in the west end of the store. This Department uses two 36' refrigerated produce cases and one 16' dry produce case. Five 10' by 5' display bins are situated in the central area of the department and these are used mainly for merchandising high volume seasonal items.

The Dairy Section is located in the southeast corner of the store. A large variety of dairy products are displayed in a 16' Coldstream five-tier dairy case and a 36' Hill four-tier dairy case.

The Health and Beauty Aids section has always been a favorite with discount shoppers. For this reason a substantial area is sectioned off for the store's self-serve Health and Beauty Aids Department. This



Sixty-five-foot frozen food display cooler at Priceless Foods

Paramount

Canned Ocean Foods
and
Carnation Sea Foods

NELSON BROS. FISHERIES LTD.

VANCOUVER, B.C.



Spacious, wide-aisle shopping is found throughout Codville's 22,000-square-foot discount food store

department is combined with the tobacco section and both are serviced by a separate checkout for added customer convenience.

Another convenience feature of the store is the customer car parcel pick-up service. The customer may desire to continue shopping in another area after her food purchases have been made. If so, the customer is given a numbered ticket and her groceries are then placed in a special container on a conveyor which leads from the checkout stand to a parcel pick-up station outside the store. When the customer has completed her shopping, she drives up to the parcel pick-up station and presents her numbered ticket to the attendant who places her groceries in her car.

Since the store was doubled in size last year, sales figures have steadily risen in spite of the fact that Price-less now has plenty of competition in the food discounting field. The emphasis on customer service, plus discount prices, continues to be a winning combination for Price-less Foods. This, together with the ever growing traffic flow in the store's area are good reasons for the enthusiastic outlook for Dick Johns, the Manitoba Retail Manager, and the management and staff of the store.

Purity Flour

SATISFACTION GUARANTEED

&

MONARCH POUCH PAK CAKE MIXES

The Sales Leader



MAPLE LEAF MILLS LTD.

440 ARCHIBALD STREET, WINNIPEG 6, MANITOBA

"Everybody's

Flavour

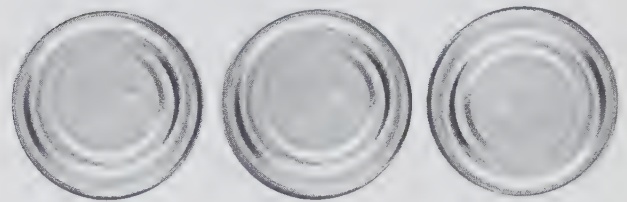
Favorite"

80

years

of progress!

Congratulations



OLD DUTCH FOODS LTD.

1700 SARGENT AVENUE

WINNIPEG

**Thomas J. Lipton
&
Puritan
Canners**

**Serving The Codville Company
Limited with**

Grocery bags

Checkstand bags

Produce bags

Shopping bags

Sandwich bags



Woods-Dryden Paper Bags Ltd.

Red Top Pet Foods

Cott Drinks

St. Williams Jams

Daltons Glazed Fruits

Bordens Sugar Ripe Dried Fruit

Sunny Gold Australian Sultanas

Nu-pack Dried Cereals

Kernel Fresh Baking Nuts

.

**F. Archibald
Brokerage**

Personnel Development



B. Fijal, Personnel Manager interviewing employee



Management training session is part of Company's personnel development program

The measure of success any Company achieves is the direct result of the amount of effort put forth by its employees. With this realization, The Codville Company felt it necessary to establish a Personnel Department in 1965. Through the machinery of this department a continuous effort is being made to strengthen in ability and depth, the people who, each in their own way, but collectively are responsible for the growth of the Company. The challenge presented by the numerous growth opportunities offers an unlimited scope for careers in all areas of the Company's operations.

To meet the demands and responsibilities of tomorrow, employees of The Codville Company are developed through planned on-the-job training as well as specialized training courses. One such course is used to develop supervisory skills to both present and future supervisors in the Company. A sales course is conducted regularly for sales staff throughout the organization. In the Retail Division, Meat and Produce personnel attend seminars where they are kept up-to-date in the newest meat and produce merchandising methods. Sessions on customer relations were held last fall in Company owned supermarkets throughout Manitoba. These sessions were attended by full and part-time sales clerks.

Incentive is created for employees who are directly responsible for sales and profits by the payment of bonuses, based on results. A stock

option plan exists for the benefit of proven executives.

The Company's benefit program consists of a Company pension plan, group insurance plan and group hospital and medical plans. This together with opportunities for advancement, offer inducement and security to employees.

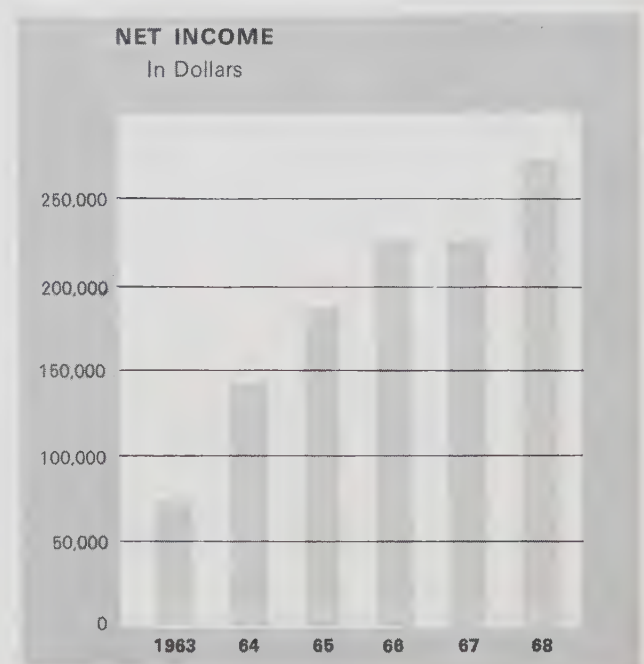
The Personnel Department is headed by Mr. Brian Fijal, Personnel Manager for the Winnipeg Branch.

Finance

MICHAEL BRUCKI
Comptroller



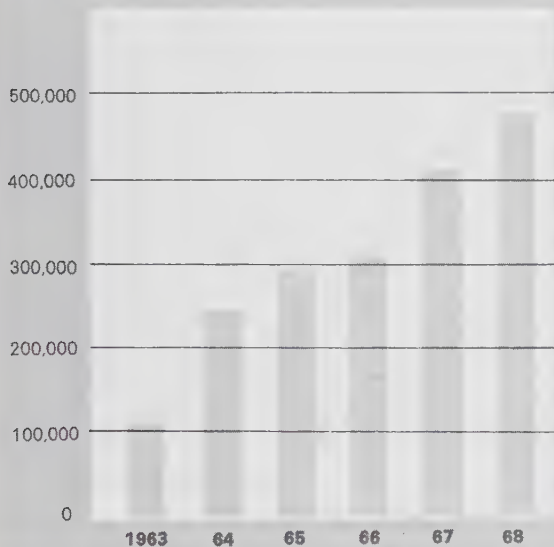
The Codville Company in recent years has experienced sound financial growth at a more rapid rate than the industry as a whole. The year ended March 31, 1968, was particularly significant. Records were set in sales, income before taxes, net income, cash flow and net income per Class A share.



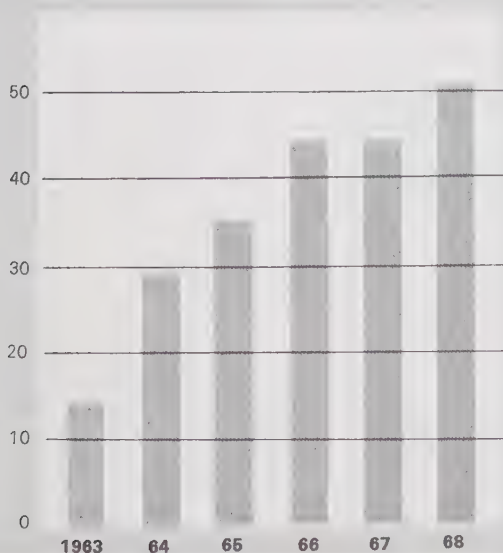
Consolidated sales increased by \$6,175,005 to \$31,656,241 in the year ended March 31, 1968. This is a record in dollar sales and represents an increase of 24%. The gain in sales is approximately four times the rate of growth of retail food sales in the industry. This fact alone would indicate that I.G.A. and Much More stores are able to compete effectively in the face of chain store and other competition.

Income before taxes increased to an all time high of \$480,337 in the past fiscal year, a 16% increase over the previous year's figure. Corporation taxes were \$216,534 compared to \$188,324 the previous year. Despite this rise in taxes of 15%, net income hit an all-time high of \$263,803, an increase of 18% which is slightly higher than the pre-tax income growth rate of 16%.

INCOME BEFORE TAXES
In Dollars



NET INCOME PER CLASS A SHARE
In Cents



SUPPLIERS OF AYLMER PRODUCTS
CANADIAN CANNERS LTD.

347 Higgins Avenue, Winnipeg, Telephone 942-0228



Something
delicious
is
happening
!

Federated Fine Foods Limited

"Home of Dutch Maid Potato Chips"

Head Office: Winnipeg
Branches in Regina, Saskatoon and Vancouver

As a result of the increase in net income for the year ending March 31, 1968, declared dividends rose 20% over the previous year. Dividends paid per class A share totalled \$67,823, which is 25.5% of total net income for the fiscal year ended March 31, 1968.

OPPORTUNITIES FOR GROWTH:

The Company's franchise territory, which was extended in 1965 to the eastern boundary of the County of Thunder Bay, has a population of more than two million, 10% of the country's entire population. Total food store sales in this marketing area are well in excess of \$350,000,000.

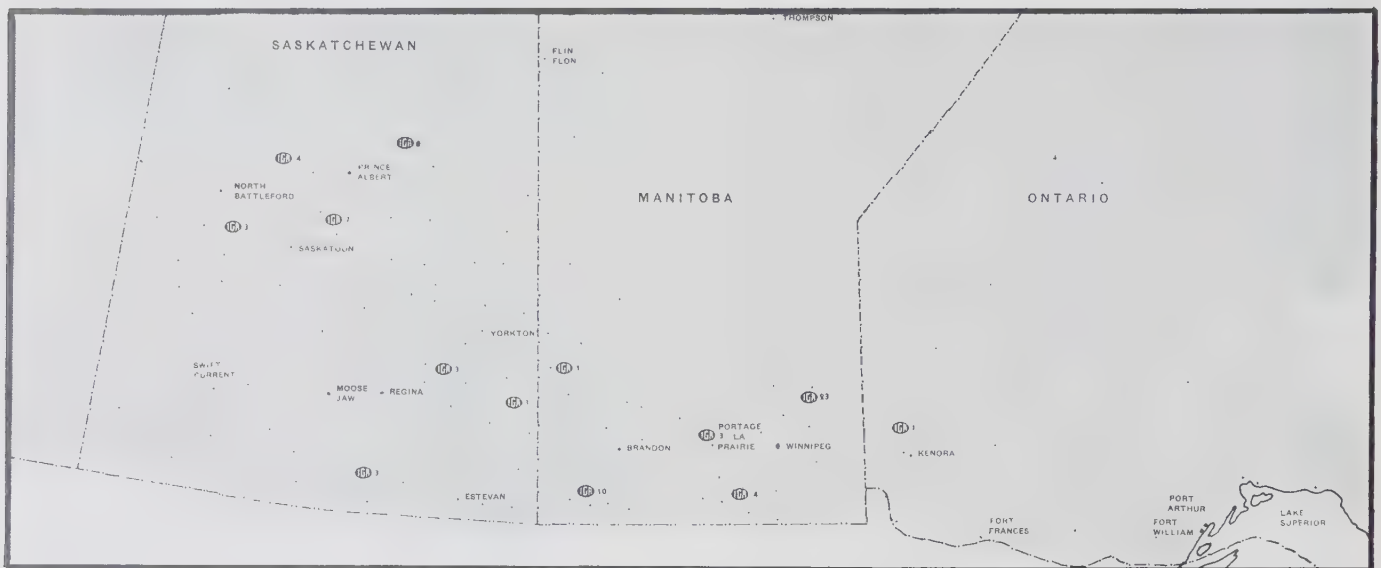
An analysis of the Company's marketing area shows a potential number of I.G.A. Stores at 185 in 111 towns and cities. These estimates are given on present population figures. However, continued industrial expansion in the northern areas of Saskatch-

ewan, Manitoba and northwestern Ontario should provide added growth opportunities. Urbanization trends in these provinces are reflected in the increase in the amount of disposable income spent on food.

Two large supermarkets each covering 18,000 square feet in area, are scheduled to open well before the year ending March 31, 1969. Several other stores in the marketing area are currently in the planning stages.

The opening of the Company's new Distribution Centre in Saskatchewan earlier this year, together with the new Manitoba Distribution Centre now under construction in Winnipeg, should result in increased profits through greater efficiency. The Company's capacity for increased sales will be greatly enhanced with the additional space made available in the new Distribution Centre in Winnipeg.

Map of Marketing Area



**we are pleased
to congratulate
The Codville Company
on their many
achievements**

**CANADIAN
PUBLISHERS
LIMITED**

Congratulations to The Codville Company Limited

80 years of progress in the Food Industry is something to be proud of

We at BURNS FOODS LIMITED also remember many years of operation in the Food field. Pat Burns began it all in 1897.

We look forward to many more years of co-operation
in the Food Industry between our two organizations.

To make a better meal...better make it BURNS



**Have
trucks
will
travel!**

.



725 PORTAGE AVE. WINNIPEG, MAN.

these
make your
DAIRY
or **DELI**
department
a **DILLY**

LARGEST ALL CANADIAN
MANUFACTURERS OF
REFRIGERATION EQUIPMENT



3 DECK — DV - VERSATILE



4 DECK — D-4-DAIRY MASTER



OR 5, 6, 7 DECK — DRS REFRIGERATED SHELVING

For further information write wire or phone

COLDSTREAM
PRODUCTS OF CANADA LTD.

1855 SARGENT AVENUE, WINNIPEG 21, MANITOBA
PHONE (204) 775-8274 TELEX 03-58369

the fleet fleet

If there is one person more demanding than a hungry boy at dinner time, it is a Canadian housewife who wants her grocery store shelves stocked with fresh produce and a full range of food products—*whenever she needs them.*

So a grocery store operator must have a

reliable supplier who gets his products into his store *right on time.* And if the goods don't arrive when you need them you may lose not only a sale but a regular customer. Whether you need perishable items or canned goods they *must* be there *when you need them.* Codville's fleet fleet makes that a sure thing.



The Codville Company Limited

HEAD OFFICE: 1835 SARGENT AVENUE, ST. JAMES, MANITOBA, CANADA, TELEPHONE 786-5411
SASKATOON BRANCH: 2820 JASPER AVENUE, SASKATOON, SASK., TELEPHONE 244-2955